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DECEMBER 24, 1984

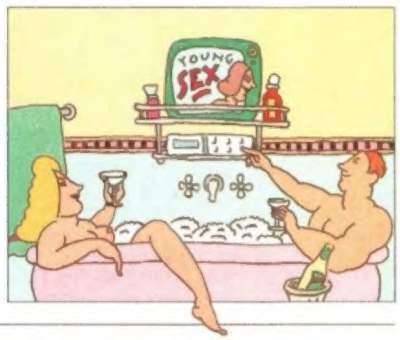
TIME

THE WEEKLY NEWSMAGAZINE

Vol. 124 No. 26

COVER: Santa's hottest gift, the VCR, is creating an entertainment revolution 44

Boosted by holiday sales, the videocassette recorder is coming on strong. The versatile VCR can rerun yesterday's shows today and preserve today's for tomorrow. It can deliver movies old and new, lessons in auto repair or a daily exercise regimen. It can create an instant home movie or a "video postcard." The nation's viewing habits may never be the same. *See* VIDEO.



WORLD: Reagan denounces apartheid as South Africa cracks down anew 22

Maybe for political reasons, maybe out of conscience, the President bows to domestic pressure and blasts "repugnant" racial policies. The criticism is ignored by South Africa, which continues to curb its civil rights movement. ▸ At Bhopal, India, the tragedy continues. ▸ Canada's Mulroney hangs out the welcome sign for U.S. investment. ▸ Supply problems for the *contras*.

BUSINESS: A panel forecasts that 1985 will bring good cheer 36

TIME's Board of Economists predicts that the U.S. economy will avoid a recession and achieve good growth in the coming year. Members take a close look at Reagan's controversial tax and spending plans. ▸ The Administration considers disbanding its Council of Economic Advisers. ▸ A search for conspirators at ITT. ▸ Hitachi to older workers in Wales: Step aside, please.

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Second-Hand Smoke: The Myth and The Reality.

Many non-smokers are annoyed by cigarette smoke. This is a reality that's been with us for a long time.

Lately, however, many non-smokers have come to believe that cigarette smoke in the air can actually cause disease.

But, in fact, there is little evidence—and certainly nothing which proves scientifically—that cigarette smoke causes disease in non-smokers.

We know this statement may seem biased. But it is supported by findings and views of independent scientists—including some of the tobacco industry's biggest critics.

Lawrence Garfinkel of the American Cancer Society, for example. Mr. Garfinkel, who is the Society's chief statistician, published a study in 1981 covering over 175,000 people, and reported that "passive smoking" had "very little, if any" effect on lung cancer rates among non-smokers.

You may have seen reports stating that in the course of an evening, a non-smoker could breathe in an amount of smoke equivalent to several cigarettes or more.

But a scientific study by the Harvard School of Public Health, conducted in various public places, found that non-smokers might inhale anywhere *from 1/1000th to 1/100th of one filter cigarette per hour.* At that rate, it would take you at least 4 days to inhale the equivalent of a single cigarette.

Often our own concerns about our health can take an unproven claim and magnify it out of all proportion; so, what begins as a misconception turns into a frightening myth.

Is "second-hand smoke" one of these myths? We hope the information we've offered will help you sort out some of the realities.

R.J. Reynolds Tobacco Company

A Letter from the Publisher

"The videocassette recorder is 1984's machine of the year." So says Reporter-Researcher Peter Ainslie, in a smiling reference to TIME's designation of the computer as Machine of the Year for 1982. Ainslie has a point: in his extensive reporting for this week's cover stories on the video revolution, he learned that VCRs are outselling personal computers by 1½ million units this year. The revolution has touched all those involved in preparing the cover package. "A new video store seems to open every month in a New York neighborhood," says Ainslie. "Some of them even deliver." New York Correspondent Barry Kalb, an avowed movie freak, bought his VCR to catch up on all the films he missed during nine years as a foreign correspondent. "In Hong Kong, where we lived from 1975 through 1978," he says, "no movie that didn't feature large amounts of action and violence played in local theaters for long, if at all. Since we bought a VCR in Rome last year, I have made a good start on catching up."

HUGH PATRICK BROWN

Zoglin and Ainslie examine video wares

Reporter-Researcher Cristina Garcia, who looked into trends in the Chicago area, does not own a VCR. "But," she says, "I already find myself browsing for films in video stores the same way I shop for books." San Francisco Correspondent Dick Thompson rented a machine to see what all the furor was about, and promptly ODed on movie tapes. "Strange things happen to rational people when they are faced with rack after rack of adventure and romance in a video store," he muses. A VCR now heads Thompson's Christmas wish list. The children of Christopher Porterfield, the senior editor who supervised the cover package, also hope for a VCR. He already has one, but it is hooked to a master-bedroom TV and not to the one the children watch. "Parents have *some* privileges," he says, "but as a result, my wife and I are under more or less constant siege. And this state of affairs promises to continue, as I know for a fact that Santa is not going to come through this year."

Staff Writer Richard Zoglin, who wrote the main story as well as a story on the industry, has owned a VCR since 1980. For him it is primarily a professional tool: he has been writing about television for nearly ten years. Zoglin was the TV critic of the Atlanta *Constitution* for four years before joining TIME in 1983. "At first I didn't want to own a VCR," he recalls. "There is so much on TV, and there are only so many hours in the day. With a VCR, I thought I'd go crazy trying to watch everything I taped." But Zoglin soon learned restraint. "I tape shows on Friday nights," he says, "and then I force myself to stay up Sunday night to watch them. I refuse to let one week's shows carry over into the next week. That way lies madness."

John a. Meyer

Letters

Battered Banks

To the Editors:

Your report on the troubles now confronting American banks [ECONOMY & BUSINESS, Dec. 3] points up the risks of deregulation. Generally, deregulation is laudable, but it never should have been applied to banks. Deregulating banks cancels out the valid reasons for having some form of cost, safety and volume control over the money supply. Deregulation in this case will become a monster and a lighted fuse.

Alton R. Dahlstrom
Rossland, B.C.

The problems in the banking industry may adversely affect all Americans. Nevertheless, I derive satisfaction from watching the bankers suffer. For so many years they treated customers with disrespect. Now, with increased competition, perhaps bank officers will realize that being polite makes good business sense.

Gregory R. Weaver
Chicago

Your story presented a one-sided view of the banking business. No mention is made of the efficient manner in which the industry moves billions of dollars daily or of the major technological advances banks use to hold down costs and reduce needless float.

Nancy D. Halwig
Evanston, Ill.

I do not understand your indignation over banks' earning money by charging for services. In the retail business we call that making a profit.

Robin A. Fisher
Rochester

Your story quotes a financial consultant as saying, "Banking is going into the free-enterprise system out of a protected environment." Free enterprise is what is ruining the banking industry. It has killed the safeguards and ended the longest period of bank stability in our history. Banks are different from other businesses. They are supposed to be a safe repository, an alternative to the mattress and cookie jar and a stable pool of cash that can be called on to fuel the nation's economy. Banks should be the underwriters of the nation's financial security.

Milton A. Bergson
Skokie, Ill.

It is strange that some people find fault with the increasing use of automatic-teller machines. I find them as warm as some of the tellers, more accessible and usually more efficient.

Richard J. Woodland
Solon, Ohio

Your analysis of the banking problems between American lenders and Third World borrowers is doubtless admirable, but for me incomplete. It fails to mention Ogden Nash's "One rule which woe betides the banker who fails to heed it,/ Which is you must never lend any money to anybody unless they don't need it."

Robert Krause
Binningen, Switzerland

Man of the Year

Bishop Desmond Tutu of South Africa, a brave and noble voice from an almost forgotten continent.

Anna Mary Meehan
Shrewsbury, N.J.

Indira Gandhi, the late Prime Minister of India. She was a giant who made her opponents, detractors and critics look like pygmies.

Ramesh Chettri
Bombay

The Viet Nam veterans represented in Sculptor Frederick Hart's monument.

Theresa C. Girardi
Fond du Lac, Wis.

Nicaragua's Daniel Ortega Saavedra and all the Sandinistas.

Walt Windsor
Baltimore

The African woman, who bears Africa's economic decline most heavily.

Hume A. Horan
U.S. Ambassador to Sudan
Khartoum

Mordechai Bar-On and Mohammed Milhem, whose tour together across the U.S. earlier this year demonstrates that peace between the Israelis and Palestinians is possible.

David L. Blatt
Chicago

Attorney Lawrence Washburn for his battle to protect the rights of the crippled Baby Jane Doe.

Robert B. Saxon
Monessen, Pa.

Clara Peller, the lady behind "Where's the beef?"

Joseph F.J. Curi
Torrington, Conn.

Bleak Future

Your article describing Jean-François Revel's thesis on the demise of democracy [WORLD, Dec. 3] has unnerving implications. Inevitably, democracy's extinction will come about because of its inherent fairness. If, on the other hand, democracy competes with Communism by using Communist tactics of aggression and hostility, then a democracy can no longer justifiably call itself democratic. No wonder Revel is pessimistic about the fate of our form of government.

John P. Houde
Hanover, N.H.

Solzhenitsyn has warned us, Sakharov has warned us and now Revel warns us. The Soviets are eating away at the free world, yet our naive politicians would have us "negotiate" while the Soviets continue resolutely to carry out their quest for world domination.

Catherine Mueller
Albuquerque

Diplomatic Demur

In your story "Undiplomatic Support" [NATION, Nov. 5], you say that 23 U.S. ambassadors, including the envoy to Mexico, endorsed Senator Jesse Helms of North Carolina. With the exception of my obvious support for President Reagan, I have not endorsed any candidate. In accordance with White House policy and the Secretary of State's guidelines concerning partisan political activity by ambassadors, I have not given, nor will I give, any candidate authority to use my name for partisan political purposes while I hold this office.

John Gavin
U.S. Ambassador to Mexico
Mexico City

Senator Helms' campaign staff presumed Ambassador Gavin supported Helms after Gavin sent a letter wishing Helms luck in his re-election bid. Helms' office apologized to the Ambassador for its error.

Baby Fae's Fate

The ethics applied in the case of a baboon heart for Baby Fae demonstrate the strange logic behind medical practices in this country [ESSAY, Dec. 3]. Terminally ill patients who would willingly give their consent to be released from their anguish are kept alive through extreme, demeaning and often painful measures. But a helpless infant can be experimented on without her consent. Perhaps the time has come to revise the Hippocratic oath to deal with the contradictions raised by scientific advances.

Bayla Schimmel
Northbrook, Ill.

Celebrity Eurosport

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—*Atlanta Journal-Constitution*

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LITTLE, BROWN

John Coleman's back.

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Letters

I deeply resent Charles Krauthammer's implication that all who believe in the rights of animals are eccentric. Animals have as much right to survive as man. They were not placed on earth solely for man's use or benefit. Experiments like the Baby Fae case serve the egocentric attitudes of scientists and doctors who operate under the guise of benefiting mankind. Animals are not "less superior" creatures, nor are they stupid. Only man strives for and deserves that dubious honor.

Janet Gillis Ewen
Alexandria, Va.

Contraception and the Pope

I applaud the Pope for reaffirming the Roman Catholic Church's stance on contraception [RELIGION, Dec. 3]. I chastise those who adopt the "cafeteria Catholic" attitude of choosing the beliefs that satisfy their secular and hedonistic desires. No one said that being a Catholic would be easy.

Randall A. Borow
Urbana, Ill.

God set forth in the Bible that mankind is to "be fruitful and multiply and replenish the earth." But with millions starving throughout the world, maybe the Pope should consider whether God's directive has been reached.

Lloyd Nolan
Stroudsburg, Pa.

The church finds governments responsible for hunger and poverty yet persists in encouraging family sizes that cause these conditions.

Ian Lambert
Haddon Township, N.J.

Fortunately, most Catholics ignore the Pope's teaching on contraception. The sheep are wiser than their shepherd.

Bernd Ballmann
Horb am Neckar, West Germany

Frost Family

I agree that William Pritchard's book on Robert Frost [BOOKS, Nov. 12] succeeds in restoring a positive, plausible view of the man who gave us great narrative and lyric poetry. But as Frost's granddaughter, I must protest the reviewer's harsh tone in depicting my grandfather's handling of family tragedies like his son's suicide. Your review resurrects Lawrence Thompson's literal-minded pseudopsychoanalysis that I thought the Pritchard biography had laid to rest.

Lesley Lee Francis
Arlington, Va.

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TIME / DECEMBER 24, 1984

Like Christmases Past

Nativity scenes bring a harsh cacophony of jingle bells and legal jangles

The Christmas lights on the sturdy, 30-ft. Colorado blue spruce blinked on at precisely 5:52 last Thursday evening, revealing a dazzling pattern of poinsettias that sparkled cheerfully against the capital's skyline. A large screen showed Ronald and Nancy Reagan presiding over the annual lighting ceremony of the national Christmas tree from the South Portico of the White House, 500 yards away. The President did what the heads of many U.S. families do at Christmas observances: reflect on the meaning of the celebration, offer hope for the less fortunate and remember those who must spend this most personal of holidays away from home. "For many of us, Christmas is a deeply holy day," Reagan told 20,000 people gathered in spring-like 58° weather. "For others, Christmas marks the birth of a good, great man . . . Either way, the message remains the guiding star of our endeavors."

Washington's official celebration, echoed in festivals of light and countless other wassailings across the nation, was called the Christmas Pageant of Peace. Held on the Ellipse, a 52-acre circular park between the White House and the Washington Monument, it included not only the elaborately decorated national Christmas tree but also 56 smaller ones representing the states, U.S. territories and the District of Columbia. In addition, the National Zoo installed nine live reindeer near by, and each day a traditional yule log is set ablaze. That feature proved less than popular during last Thursday's balmy weather. "That's what happens when you have a weatherman for Santa Claus," cracked red-suited TV Forecaster Willard Scott, the master of ceremonies.

HERNESSY—USA TODAY

Sparkling poinsettias: the national Christmas tree lights up the Washington night

The final element in this year's pageant was a crèche, an assemblage of near life-size figures around a manger scene representing Christ's birth. The display included painted representations of Joseph and Mary, the gift-bearing Magi, two angels and assorted animals—20 pieces in all. It would have been wholly unremarkable, similar to thousands of others, except for one thing: this particular Nativity scene was reappearing in the festival after an enforced and highly controversial absence of eleven years, the hostage in a legal dispute involving the constitutional separation of church and state.

Thanks to a Supreme Court decision earlier in the year, Nativity scenes this season also adorn the public parks and buildings of some municipalities that had ceased putting them up while the issue was in dispute. But the Supreme Court's ruling, permitting the city of Pawtucket, R.I., to erect a crèche, failed to settle the matter. Crèche critics, insisting that many of the displays still represent unlawful government sponsorship of church activity, are seeking to severely limit the court's ruling. As a result, the jingle bells of the season once again were interrupted by the jangle of legal discord. Items:

▸ In Chicago, after an aide to Mayor Harold Washington ordered the removal of a plaster Nativity scene that has decorated city hall for 45 years, public outrage generated by the mayor's political rivals forced him to reverse the decision within 48 hours. Then the First Amendment Foundation, a civil liberties group, announced it would sue to get the reversal reversed. Among other things, the dustup prompted an ugly rash of anti-Semitic phone calls to a local radio talk show, even though it was never established that Jewish groups had

complained about the crèche in the first place.

▸ In the well-off New York City suburb of Scarsdale, a Nativity scene that occupied space in a public park during the Christmas season from 1957 to 1980 has become the subject of a two-year legal tussle between its private owners and the village's board of trustees. The board voted to deny permission for the crèche after it became a source of local controversy. Last October the U.S. Supreme Court agreed to rule on an appellate decision requiring the board to continue making the park available for the display. The court's decision, due in the spring, is expected to clarify the latitude available to government officials in permitting crèches in public facilities. Meanwhile, the Scarsdale crèche is spending its third Christmas in storage.

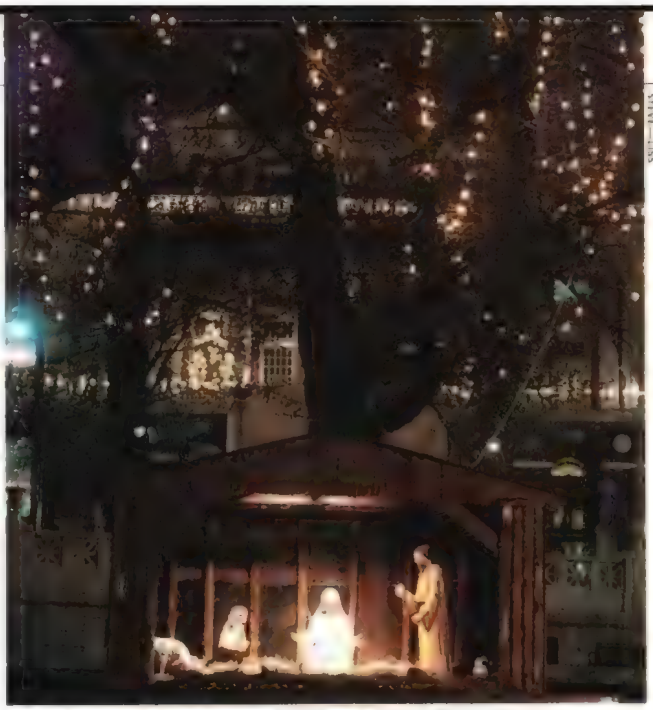
▸ In the Detroit suburb of Birmingham, Federal District Judge Anna Diggs Taylor in July forbade the placement of a crèche in front of city hall. When the city last month asked for a stay of her order pending appeal of its case, the judge sternly denied it. Said she: "It is extremely unfortunate that the city of Birmingham wishes to continue to send a message of rejection to all those ... citizens who are not Christian."

▸ Officials of Charlottesville, Va., and Larchmont, N.Y., decided this year not to set up Nativity scenes long customary in both cities rather than face possible court challenges to their legality.

▸ The Arizona chapter of the American Civil Liberties Union (A.C.L.U.) last week warned the Tempe City Council that it might seek an injunction ordering removal of a display of the three Wise Men climbing Tempe Butte toward a five-cornered Christmas star. The figures have appeared on the butte at Christmas time for at least 40 years.

Crèches appear annually on public property with little or no fuss in thousands of other towns and cities, especially small ones where churches remain at the center of community life. Even metropolises are not necessarily prone to controversy. For example, a privately owned Nativity scene has been erected since 1947 on Boston Common, the nation's oldest public park, with only a brief flurry of protest two years ago.

The Interior Department's decision to reinstate a crèche in the national celebration was based on a reading of the high court's Pawtucket opinion, which was handed down in March. Writing for the slim majority of five, Chief Justice Warren Burger rejected the argument that the Pawtucket manger scene violated the First Amendment's prohibition against government "establishment" of religion. He concluded instead that the crèche is a "passive" symbol that is "no more an advancement or an endorsement of religion than ... the exhibition of literally hundreds of religious paintings in governmentally supported museums." In a concurring opinion, Justice Sandra Day O'Connor raised a more specific argument: "The crèche is a traditional symbol of the holiday that is very commonly displayed along with purely secular symbols, as it was in Pawtucket."



STEVE—LISS

Little fuss: the privately owned crèche that adorns Boston Common

BRUCE—TAMARA

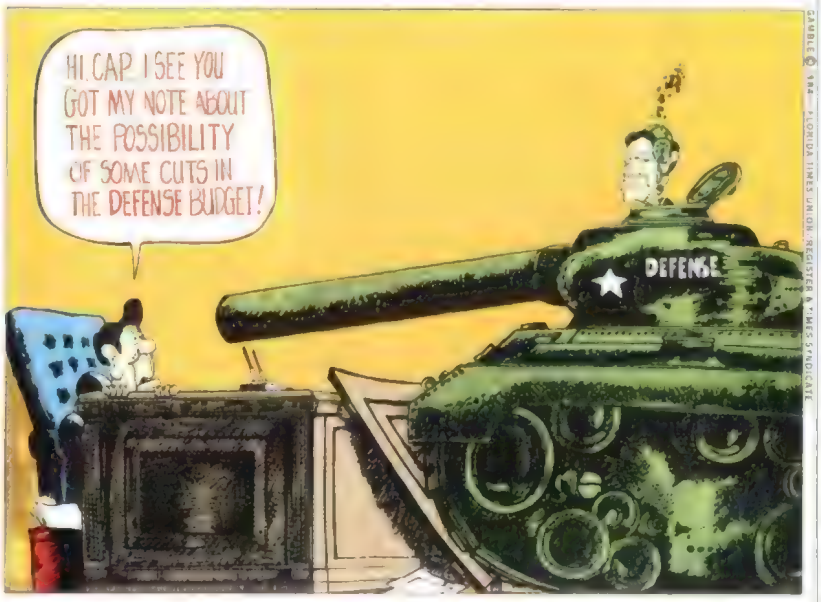
Big issue: the newly reinstalled Nativity scene on Washington's Ellipse

Looking to the message that traveled with the Bethlehem star: good will.

O'Connor's observation has been seized on by both sides in the dispute as a convenient rule of thumb for determining whether any single display may violate the separation principle. In Washington, notes Interior Department Attorney Rick Robbins, "the crèche is one small part of a very large event that includes reindeer, a yule log, Christmas trees, a stage. It's not like we are sponsoring only a crèche." By the same token, opponents of Nativity scenes in Scarsdale and Birmingham have made much of the fact that both displays stood alone. Says A.C.L.U. Legal Director Burt Neuborne: "In the absence of a general display, it would appear to be a religious endorsement."

The standards set by the high court trouble some thoughtful non-believers and believers alike. Says Marc Pearl, Washington representative of the American Jewish Congress, which has opposed the placement of a menorah (a candelabrum with nine candlesticks) in Lafayette Park across the street from the White House in celebration of Hanukkah: "Religious symbols do not belong on government property. While it may be legally O.K., it sends certain ominous signals to minority religions." For some Christians, the court's view of crèches as secular as well as religious symbols profanes the spirit of the holiday. "To me it is trivializing the meaning of Christmas," says Charles V. Bergstrom, governmental-affairs director of the Lutheran Council in the U.S.A. "Next to the Resurrection, the Christ child is the deepest religious symbol in Christianity."

At the conclusion of a year in which the proper roles of church and state frequently entered the political debate, freedom of worship stands as a more basic right than ever. There will always be disagreements on how best to exercise and preserve that right, and exactly what constitutes a violation of it. As a society of laws, the U.S. looks to Congress and the courts to settle such issues. It should also look, at least occasionally, to the message that traveled with the Christmas star toward Bethlehem one night nearly 2,000 years ago: good will toward men. —*By William R. Doerner. Reported by Anne Constable/Washington, with other bureaus*



Never Sound Retreat

Weinberger wages a stubborn defensive struggle

Pentagon's point man found himself isolated, encircled and under siege last week. But Secretary of Defense Caspar Weinberger refused to surrender in his unflinching battle to protect the military budget from facing its share of the cuts made by the rest of the Administration in the drive to reduce the huge federal deficit.

Returning from meetings with other NATO ministers in Western Europe, Weinberger jumped into the budget wars after all other departments and the President had tentatively agreed to slash a painful $34 billion next year from what is now spent on domestic programs. In a series of White House meetings, Weinberger at first argued against any slowdown in the military buildup, then suggested that it was up to others, not him, to find soft spots in the $333.7 billion he wants Congress to authorize for fiscal 1986, which begins next October. Finally, he offered some bookkeeping savings of $6 billion that would leave all weapons development and Pentagon spending plans untouched. Complained a White House aide: "He alienated everybody. He insulted their intelligence."

Weinberger was welcomed back to Washington with a litany of warnings. "I don't believe you can put together a realistic package without including defense," said Senate Budget Committee Chairman Pete Domenici. Insisted the newly elected Senate Majority Leader Robert Dole: "Substantial reductions should be forthcoming from the defense budget." From within the Administration, Treasury Secretary Donald Regan led a rearguard action. "It would be very difficult to pass the budget without having defense as part of the package," he said publicly.

The Pentagon boss was unpersuaded. Brushing off suggestions from top aides that he should begin by proposing some symbolic cuts, Weinberger went to a White House meeting on Monday and sat quietly through a belt-tightening pitch by the President. He assured Reagan that his department would take another look at its budget figures and "come in with suggested cuts." But once Reagan was out of the room, Weinberger tangled with David Stockman, director of the Office of Management and Budget, in what one participant called a heated exchange.

Stockman wanted to get $8 billion out of defense outlays next year on top of the $34 billion from other agencies. Even so, Stockman's plan would permit the Pentagon to proceed with development of 48 more MX missiles, the B-1 bomber and the President's Star Wars defense against a nuclear missile attack.

Weinberger countered that it was dangerous to force the Defense Department to cut its budget out of some sense of fairness to the other agencies making sacrifices. The military is unlike all other departments of the Government, he said, because its budget "has to be determined by the threats outside the United States."

Regan tried to parry Weinberger's counterattack at a breakfast meeting with reporters. The Treasury Secretary noted that by next year there will have been five straight years of sharp military increases, and he contended that "a slowdown in the rate of growth wouldn't do irreparable harm to our ability to defend ourselves." Added Regan pointedly: "The economy of the country is almost as important as our defense against outside enemies, and with these huge deficits we could be in danger of losing our economy."

By Wednesday, Weinberger was ready to play a few specific cards, but he dealt them with a sleight of hand. At a White House lunch, he rattled off some numbers in a near mumble, giving only the President printed notes to follow. The others were "treated like second-class citizens," claimed one observer. When those around the table finally unscrambled Weinberger's offer, they did not think much of it. He had proposed shifting a scheduled 5.6% military pay increase from January 1986 to July 1, 1985, producing a paper saving of $4 billion in the fiscal 1986 budget with no real cut in pay. He counted another $1 billion in Pentagon savings from the 5% pay cut proposed by the President for all civilian workers in Government. But Stockman had included this in the $34 billion of savings already calculated.

Weinberger also claimed savings from a lower inflation rate than Pentagon budgeteers had anticipated and from putting less petroleum into strategic oil reserves than had been planned. In all, Weinberger contended that he was proposing a $6 billion cut. The other $2 billion in savings, Weinberger suggested somewhat disingenuously, could be realized when and if the U.S. and U.S.S.R. agreed next year on some kind of arms-control measures. "Nobody could fight back on that in front of the President," said one White House official. "To do so would be to say that his arms-control proposals wouldn't work."


DAVID HUME KENNERLY

Budget Trimmer Stockman

"The Secretary has put the monkey on the President's back," said a Pentagon source. What worried top Reagan aides was that other Cabinet members might get so frustrated by Weinberger's intransigence that they would ask that their own cuts be reconsidered. Many feel that his use of questionable number juggling to come up with only token "savings" discredits the entire budget process. Their only hope, they say, is to convince the President, who seemed to be leaning toward Weinberger's position, that the Pentagon demands are clearly beyond what is required for the nation's military security. Before the President takes his budget battle to Congress, he must referee the one-sided slugfest between his favorite Cabinet member and the rest of his team. —*By Ed Magnuson. Reported by Barrett Seaman and Bruce van Voorst/Washington*

Force and Personality

Shultz and Weinberger present different views of military power

Secretary of State George Shultz and Secretary of Defense Caspar Weinberger have been working together for most of the past 15 years: as high economic officials of the Nixon Administration; then as top executives of Bechtel, the worldwide construction firm; and currently as the most powerful members of Ronald Reagan's Cabinet. They breakfast together once a week, alternating as hosts, and confer frequently by telephone. When Shultz was asked last week about their reported disputes, he replied, "That's nonsense."

That is for the record. Privately, U.N. Ambassador Jeane Kirkpatrick has told friends worriedly that the tension between Shultz, her nominal superior, and Weinberger has become "palpable." A Pentagon insider is blunter. Their dislike, says he, "is only thinly disguised when they meet publicly."

What is more, the feud is not simply a personal one. For months, Shultz and Weinberger have been giving Reagan conflicting advice on some of the gravest issues of U.S. policy. Lately they have been carrying on what amounts to a public debate.

Weinberger opened a new round with a speech three weeks ago, taking issue with earlier statements by Shultz. The Secretary of Defense laid down six conditions for the use of U.S. combat troops abroad. Some were unexceptionable: "We should have clearly defined political and military objectives." But others were more controversial. Military power, said Weinberger, should be used only "as a last resort" to protect "vital interests" of the U.S. or its allies, only "with the clear intention of winning" and only if there is "some reasonable assurance we will have the support of the American people and their elected representatives in Congress."

On a broad range of issues—arms control, trade with the Communist world, dealings with NATO allies, to name a few—Weinberger is far more hawkish than Shultz. But on the use of U.S. armed forces, the Pentagon boss reflects the views of military commanders who still shudder at the memory of Viet Nam. While the Pentagon clearly would like to see the Sandinista regime topple in Nicaragua, Weinberger has ruled out direct U.S. military involvement. Said he: "The President will not allow our military forces to creep—or be drawn gradually—into a combat role in Central America." Shultz, while no less opposed to military entanglements in that region, has long insisted that his diplomats must be backed up by a credible willingness to use force. He replied to Weinberger in a speech of his own last week, arguing that "there is no such thing as guaranteed public support in advance." If force is used effectively, as in Grenada, he said, public support will follow; if not, as in Viet Nam, it will be "frittered away." He added, "A great power cannot free itself so easily from the burden of choice."

The White House, which cleared both speeches through National Security Adviser Robert McFarlane, insisted they were not necessarily contradictory; Shultz too said force should be "a last resort." But a practical test of the two Secretaries' perspectives last winter opened a split that has never healed. Weinberger successfully insisted on taking U.S. Marines out of Lebanon after their ranks had been decimated by terrorist attack. Shultz has grumbled publicly that the pullout "undercut prospects for successful negotiation."

The Secretaries have also been at odds on other, related issues. Among them:

Terrorism. Shultz advocates "active defense against terrorism," perhaps including "pre-emptive action against known terrorist groups"—even at the risk that some innocent civilians might be killed. "One way or another," Shultz commented last week on the airline hijacking in Tehran, "the law-abiding nations of the world will put an end to this barbarism." Weinberger, says an aide, "feels that discussion of counterterrorism should be limited" and any counterattacks decided "on a case-by-case basis," presumably only if the group responsible for a specific terrorist attack could be precisely identified.

Arms Control. Highly placed sources say that Weinberger told aides that Shultz was showing "undue haste" in scheduling a meeting with Soviet Foreign Minister Andrei Gromyko in January. "Absolutely untrue," says the Pentagon. Shultz's aides are drawing up a list of possible bargaining chips; the Pentagon is adamantly opposed to almost any concession.

NATO. At ministerial meetings last week, Shultz pressed Belgium and The Netherlands to go ahead with the deployment of American medium-range missiles, a stand Weinberger fully backs. In general, though, Weinberger wants to push the NATO allies harder than Shultz would to build up their defense forces.

In part, the dispute is institutional: the State Department's diplomats and the Pentagon's brass often view the world from different vantage points. The Pentagon's insistence on a voice in foreign affairs also is a perennial sore point, especially now that Shultz is campaigning to reassert State's traditional primacy in setting foreign policy. But Weinberger and Shultz also have deeply felt policy beliefs that put them in sharper than normal opposition.

There is little doubt that their differences have been aggravated by personal factors. Weinberger, who was outranked by Shultz both in the Nixon Administration and at Bechtel, is said to resent what he regards as Shultz's air of superiority. Weinberger has the advantage of an easy intimacy with Reagan, which began in California in the 1960s. He discussed with the President his speech about the conditions for the extensive use of military power. Shultz was not asked to comment and did not see the speech until Weinberger handed it to him at one of their breakfasts only hours before it was delivered.

In a perverse way, the dispute may be helping to keep Shultz in office. He was widely expected to return to private life at the end of Reagan's first term. But if he had resigned, his successor might have been none other than Weinberger. Shultz, says one Administration official, will "stay on that job till hell freezes over" rather than let that happen. ***—By George J. Church. Reported by Johanna McGeary and Bruce van Voorst/Washington***

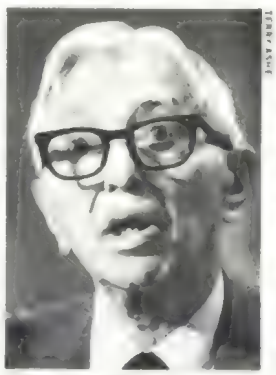
The Secretaries of State and Defense side by side listening to a speech by President Reagan

Despite weekly breakfasts together, there are deep philosophical and personal differences.

Overrun Silent, Overrun Deep

Probing submarine contracts and an admiral's gifts

Hyman Rickover, father of the nuclear navy, friend of congressional committee chairmen, was accustomed to getting his way with defense contractors. Once, according to congressional investigators, while visiting General Dynamics' Electric Boat shipyard in Groton, Conn., the crusty admiral admired a horn-handled fruit knife and idly declared that he would like to have a dozen of them. Shipyard executives hopped to. The handle was shipped off to a General Dynamics' lab, where analysis revealed that it had been made from the horn of a rare Southeast Asian buffalo. More buffalo horn was sent for, and a dozen fruit knives were manufactured for the admiral at a boatyard normally devoted to building submarines.



Rickover testifying

Almost any Rickover whim, it appears, was the contractor's command. When Rickover, who wore cheap metal tie clasps, saw one that he liked better on the tie of a General Dynamics employee—even when it was gold—he simply reached over and made a quick trade.

Revelations about the gifts do more than tarnish the reputation of Rickover, 84, who retired in 1982 after 59 years in the Navy. To executives at General Dynamics, such favors were part of the cost of doing business and keeping the cantankerous admiral happy. But to congressional budget cutters eyeing the Defense Department for excess fat, they are part of a broader investigation into charges that General Dynamics fleeced the Government of hundreds of millions in cost overruns. Those and other allegations have drawn the attention of investigators from five congressional committees, the Navy, the Justice Department and the Securities and Exchange Commission.

Navy Secretary John Lehman disclosed last month that the Navy had evidence that during the 1970s and early '80s Rickover received gifts worth "tens of thousands" of dollars, not only from General Dynamics but also from General Electric, Westinghouse and Newport News Shipbuilding & Drydock Co., all big Navy contractors. Among the presents: a $695 pair of diamond earrings mounted on 18-karat gold and a $430 jade necklace. Rickover says those baubles went to his wife, but that he passed most of the other "trinkets"—gold pendants, desk sets, ship models—on to Congressmen and their wives.

"I took," Rickover admitted on the CBS program *60 Minutes* last week. "So did others. I don't deny it." But "the question that ought to be asked," insisted Rickover, "is, Did I ever favor General Dynamics or any other contractor?" In fact, Rickover was known for leaning on contractors to meet deadlines, budgets and quality specifications. It was he who triggered a formal investigation of General Dynamics for cost overruns in 1978. The probe, carried out by the Justice Department, produced no indictments and was dropped in 1981. Meanwhile, the Navy settled with General Dynamics, paying $634 million of $843 million in excess costs claimed by the company for construction of the SSN-688 *Los Angeles*–class attack submarines. Rickover bitterly criticized the settlement.

The matter might have died there had a former General Dynamics executive not surfaced with new allegations—and, he claims, tapes and documents to prove them. P. Takis Veliotis, onetime general manager of the company's Electric Boat division, charges that fellow executives routinely lavished gifts and perks on Navy brass. He also claims that the company submitted low bids for contracts and then tried to stick the Pentagon with false claims for overruns.

The retired executive was indicted by a federal grand jury in 1983 for taking kickbacks from a subcontractor. When he fled the U.S. to his native Greece, General Dynamics promptly impounded $6 million of his assets. Veliotis is now bargaining with the Justice Department, which has revived its earlier probe, for some level of immunity from prosecution in return for his cooperation.

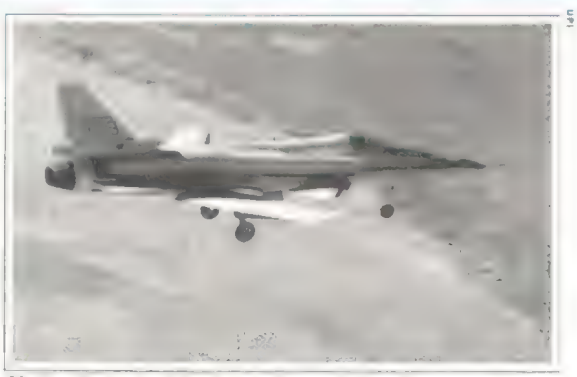
Meanwhile, General Dynamics is feeling heat in Washington. Congressman John Dingell, chairman of the House Oversight and Investigations subcommittee, has demanded that the Navy cancel some $5 billion in contracts with the company for the SSN-688 and the Trident submarine because its gifts to Rickover violate Navy regulations.

The broader issue of cost overruns is stirring renewed concern in both Congress and the Pentagon. Congressional investigators are looking into charges that Newport News Shipbuilding overcharged the Navy by some $50 million for the $2.7 billion nuclear aircraft carrier U.S.S. *Theodore Roosevelt*, launched last October. "This is a widespread practice," says Republican Senator William Cohen of Maine. "Contractors submit intentionally unrealistic bids and then try to recoup after they get the contract."

The near monopoly enjoyed by shipbuilders once they win a contract limits the Navy's leverage. The Navy hopes to stir competition by splitting shipbuilding awards between two contractors. This month Lehman announced almost $2 billion in awards under such a "dual sourcing plan." More competition may serve to keep contractors honest. But many military contractors and Navy brass have, in effect, been shipmates for years; they will not be an easy crew to break up. —***By Evan Thomas. Reported by Bruce van Voorst/Washington***

Winging It Backwards

It should not fly. Its stubby wings angle forward, putting them under immense stress. Indeed, it is so unstable that no pilot can react fast enough to keep it from dropping out of the sky. Yet the X-29A flew precisely as planned last Friday in its first test flight from California's Edwards Air Force Base. Pilot Chuck Sewell kept the X-29A aloft at 15,000 ft. for nearly an hour, maintaining a relatively slow speed of 270 m.p.h. His secret: three built-in computers checked all flight-control surfaces 40 times a second, automatically making adjustments to keep the plane airborne. "If I lose all the computers, the airplane self-destructs in two-tenths of a second," said Sewell. The Pentagon and the Grumman Corp. are gambling some $130 million that the design will eventually give U.S. pilots an advantage in future dogfights.



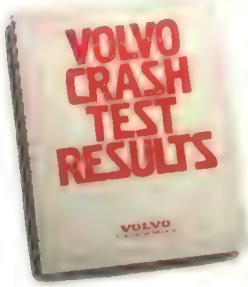
Maiden flight: the X-29A cruises over California

STATISTICS FOR PEOPLE INTERESTED IN NOT BECOMING STATISTICS.

"A barrier impact at 35 mph can generate between 80,000 and 120,000 lbs of force."

"In a 30 mph front end collision, a 165 lb man hits the windshield with a force of 3 tons."

"A 10 mph increase in impact speed from 30 to 40 mph means that 79% more energy must be absorbed."



Let a bunch of safety engineers slam enough cars into a wall and statistics like these begin to pile up. The more of them you have to work with, the safer the car you can build.

At Volvo, safety has always been a high priority.

So every year at our Technical Center in Gothenburg, Sweden, we destroy between 70 and 80 Volvos in crash tests. And the statistics we've gathered over the years have helped us make the kinds of innovations that have made Volvo the standard of safety for the automobile industry.

Our now famous steel "safety cage," for instance, surrounds the passenger compartment of a Volvo and is designed to keep it from crumpling during a collision. Every weld in it is strong enough to support the weight of the entire car.

At either end of a Volvo is a built-in safety zone. It's especially designed *to* crumple in order to absorb some of the energy forces of a collision instead of passing them along to the occupants.

To make sure you have protection on all sides in a Volvo, we've placed tubular, steel anti-intrusion bars in all doors.

Even our steering column is designed to collapse upon impact and our laminated windshield is designed to remain intact.

Of course no car can protect you in a crash unless you're wearing the safety innovation that became standard equipment in Volvos back in 1959: the three point safety belt. (Statistics show that fifty percent of the deaths due to road accidents could be avoided if drivers and passengers were wearing them.) So if you're interested in not becoming a highway statistic, take a precaution the next time you take to the highway.

Be sure to fasten your safety belt.

And incidentally, it might be a good idea to be sure it's fastened to a Volvo.

VOLVO

A car you can believe in.

MANOOCHER FEREYOUNI—IRNA BLACK STAR

Terrorist with gun and camera showing unidentified victims to Iranian news agency

Did Iran Help the Hijackers?

The U.S. thinks so, but does not know how it can retaliate

The C-141 transport plane looked almost ghostly as it broke through the early morning mist and touched down at Andrews Air Force Base last week. For the fifth time since April 1983, a military aircraft was bringing home the bodies of innocent Americans slain by Middle East terrorists. When the flag-draped coffins of Charles Hegna, 50, and William Stanford, 52, were carried by an honor guard into the cavernous hangar for a memorial service, there were tears of sorrow and frustration in the eyes of many in the crowd of 150 Government officials and family members. Vice President George Bush delivered a brief and angry eulogy for the two officials from the U.S. Agency for International Development killed two weeks ago in the brutal hijacking of a Kuwait Airways flight bound for Karachi. "We shall know their murderers with the long memories of those who believe in patient but certain justice," said Bush. "Civilized nations can and must resist terrorism and demand that governments have the decency to bring terrorists to justice."

It was a clear message to the regime of Iran's Ayatullah Ruhollah Khomeini that the episode at Mehrabad Airport in Tehran had still not been resolved as far as the Reagan Administration was concerned. The six-day hijacking had come to a dramatic end early last week when three Iranian security officers disguised as a physician and cleaning crew slipped on board the grounded Airbus and rescued nine hostages, including two Americans, who were found tied to their seats. Four Arabic-speaking hijackers, thought to be linked to the same pro-Khomeini Lebanese Shi'ite terrorist groups that some U.S. officials believe carried out murderous bombing attacks on the U.S. embassy and Marine barracks in Beirut, were arrested without a struggle in the midnight raid.

But doubts persisted in Washington about Iranian complicity in the crime and whether the U.S. could, or should, take retaliatory measures. Secretary of State George Shultz called on the U.S. to pursue an "active defense" against terrorism. Said Shultz: "I think strong action, if we can identify [that action] precisely and execute it successfully, will command broad public support." Once the two American survivors, Businessman John Costa, 50, of New York City and Auditor Charles Kapar, 57, of Arlington, Va., were out of Tehran, the White House issued a toughly worded statement, charging that Iran had "clearly encouraged extreme behavior by the hijackers."

Iran certainly appeared to be in sympathy with the hijackers. It put intense pressure on Kuwait to meet their demand for the release of 17 terrorists sentenced to death or prison for the bombing attacks one year ago against the U.S. embassy and other targets in Kuwait. The negotiators were confined much of the time to the VIP lounge at the airport and had limited radio access to the hijackers. To apply even more pressure, the Iranian authorities allowed the negotiators to hear the screams of tortured prisoners and permitted photographs to circulate showing two slain Kuwaiti passengers. As it turned out, the hostages had only been roughed up and smeared with tomato catsup. When the Kuwaiti representatives finally gave up and left Tehran on Sunday morning, Iranian officials apparently decided that the hijackers' cause was lost and decided to end the episode.

There were unconfirmed reports of a more direct Iranian connection with the hijacking scheme. Two Pakistani passengers claimed that the four terrorists received additional weapons, handcuffs and nylon rope from the Iranians once the plane had landed. Many Kuwaiti officials privately believed the Iranians were involved in the hijacking. In Paris, the exiled former Iranian President Abol Hassan Bani-sadr charged that two of the terrorists had participated in the hijacking last July of an Air France jet to Tehran; Bani-sadr said he learned this through "sources." There was also circumstantial evidence to suggest that the Iranians had some inkling of how far the terrorists were prepared to go. Officials at Mehrabad Airport, for example, did not bother to move valuable aircraft parked only 300 yds. from the Airbus, even after the terrorists threatened to blow up the Kuwaiti jetliner.

Many details of the rescue also prompted suspicion that it might have been a "setup surrender." The hijackers' request for a cleaning crew was puzzling, to say the least. As a U.S. official explained, "You do not invite cleaners aboard an airplane after you have planted explosives, promised to blow up the plane and read your last will and testament. That is patently absurd." The security forces appeared to be so certain of success that they entered through only one door; once inside, they tossed so many smoke bombs that no one could see whether the hijackers showed any sign of resis-

MANOOCHER FEREYOUNI—IRNA BLACK STAR

Bruised Survivor Charles Kapar

MANOOCHER FEREYOUNI—IRNA BLACK STAR

John Costa with cigarette burns

tance. (A Kuwaiti newspaper correspondent based in Washington reported that a U.S. Delta combat unit had set up base in a nearby country to prepare for a possible rescue mission if the plane should leave Iran and land in a place where it would be easier for the Americans to take action.)

However tempting it was to jump to conclusions, U.S. officials had to admit, as one put it, that they had "indications rather than any hard evidence" of Iranian collusion with the hijackers. Iranian authorities insisted they had allowed the ordeal to drag on in order to win the release of as many hostages as possible by peaceful means. The two surviving Americans corroborated that statement. Kapar denied that any weapons were brought on the Airbus after it landed in Tehran, and Costa said he had "no evidence whatsoever" to implicate Iran in the plot.

The ordeal on the Airbus was, according to Kapar, "140 hours of hell." The terrorists veered from kindness to brutality, inflicting what a British hostage called "psychological torture." They ordered the Americans to lie on the floor, then stomped on their backs, chanting anti-American slogans. Costa was burned with cigarette butts because he refused to confess that he was an agent of the Central Intelligence Agency. When a Kuwaiti lighted up, one of the hijackers stuck the barrel of his gun into the hostage's mouth and warned, "This is the last cigarette you will ever smoke." The terrorists had told the Kuwaitis that because they were Muslims they would not be killed, but the torture, said one Kuwaiti, "made death look easy."

Administration officials said they would not make any final decision about how to respond to the hijacking until all the evidence was in. Even if a direct link between Iran and the terrorists can be proved, the U.S. may find it difficult to punish the Tehran government for its misdeeds. Indeed, a retaliatory strike might only endanger the lives of more Americans. Since the U.S. does very little business with Iran, economic and trade sanctions would have a limited effect. Said a frustrated U.S. official: "We ought to keep quiet unless we are going to act. There is no use just enhancing a paper-tiger image."

Washington was, at the very least, determined to put pressure on Iran to live up to its legal obligations under The Hague antihijacking convention of 1970 and either put the four hijackers on trial or send them to a country that would. But there is no evidence that Iran has taken any action against pro-Khomeini hijackers who have diverted two other planes to Tehran since last July. Iranian Premier Mir Hussein Moussavi made clear last week that his government had no intention of extraditing the latest group of terrorists. "The Americans still think that feudalism rules the world and therefore demand that Iran explain its handling of the hijacking affair," he declared. "Iran explains nothing to anyone but God." —*By John Kohan. Reported by Barry Hillenbrand/Kuwait and Johanna McGeary/Washington*

"Stand on Principles"

Geraldine Ferraro tells Democrats the party is not over

Ever since Election Day, when Walter Mondale and Geraldine Ferraro took a memorable drubbing at the polls, political pundits have been analyzing how the Democratic Party should reposition itself for the future. Last week, in her first speech since the campaign, Ferraro offered her own analysis, cautioning the party not to lose sight of its "core" belief in equal opportunity as it strives to attract new voters. Said Ferraro: "The last thing this country needs is two Republican parties."

Ferraro, who delivered her address at the University of Wisconsin, Madison, was the second participant in TIME's Distinguished Speakers Program, which twice a year sponsors lectures by the magazine's cover subjects at a college of his or her choice. President Reagan, who spoke last February at Eureka College in Eureka, Ill., his alma mater, was the first speaker in the series.

Looking tanned and relaxed after a postelection vacation in the Virgin Islands, Ferraro told the enthusiastic audience of 1,300 that she rejected the popular perception that the Democratic ticket lost because it clung to the gospel of Big Government. "Read the speeches," she said. "We didn't call for massive new federal jobs programs, but for more responsible monetary, fiscal and trade policies to promote and strengthen the private sector." In the course of her half-hour address, Ferraro spelled out her vision of the party's future. Some excerpts:

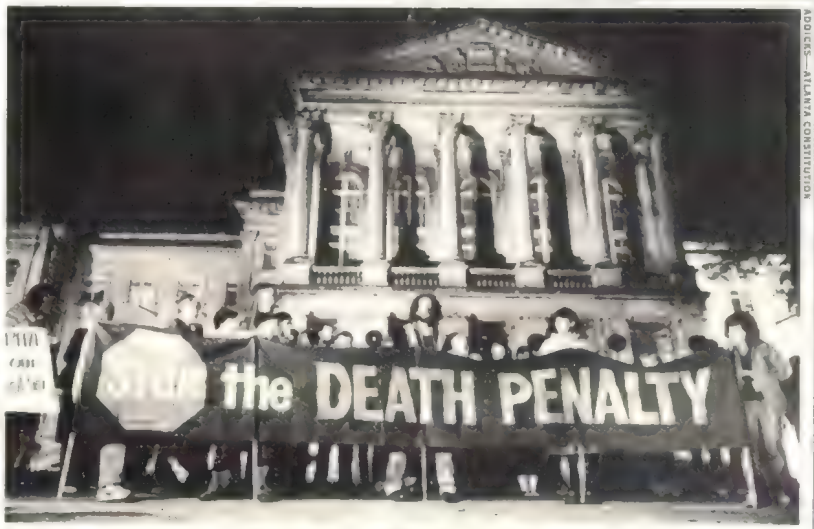
"In security matters, we are told that we Democrats must prove that we are tough . . . Of course the next Democratic President will use force, if necessary, to protect America's vital interests. In the campaign we said that. The Democrats believe that the United States should always try negotiation before confrontation. In my opinion, it's better to send in the diplomats before we send in the Marines.

"I hear people say that we must not let our party be dominated by the narrow agendas of special-interest groups . . . But when the critics get around to naming the groups whose agendas they object to, they usually name blacks, teachers, women and unions. And never mention oil interests, the banks, the right-wing PACs or the apostles of religious intolerance. And then in the next breath the reappraisers tell us to appeal to whites, to the middle class and to men. In other words, the objection to our party is not that we speak to special groups, but that we are speaking to the wrong groups of people and that we must begin appealing to groups with more clout, with more money, with more votes. Now if there ever was a soulless solution to a party's problems, that's it . . . and I won't go along.

"If there was one thing my campaign stood for this fall, it was equal opportunity"

"If there was one thing my campaign stood for this fall, it was the great idea of equal opportunity for every American . . . Above all, a party must stand for something. We have taken our stand on principles. The last thing we need to do is trim them now.

"Some have said 1984 marked a great political realignment. But I don't see that . . . President Reagan increasingly sounded like a Democrat as the campaign went on. He stepped up contacts with the Russians to resume nuclear arms-control discussions, and promised not to cut Social Security . . . Now that, by the way, was the Democratic platform. I welcome the borrowing of it by the Republicans. But I think the ones who wrote the platform are probably the best ones to implement it. And I predict that in 1988 we will get the chance." ■



ADDICKS—ATLANTA CONSTITUTION

Before Tuesday night's execution, protesters gather outside Georgia's capitol

Running Out of Appeals

After years of legal wrangling, the pace of executions quickens

One way or the other, it was bound to be Alpha Otis Stephens' last night. First he tried killing himself, during his last lonely hours in a cell, by slashing at one wrist with a safety razor. He bled only a little. Then, just after midnight, the state of Georgia undertook to kill him. The 39-year-old murderer, looking scared, was strapped into the electric chair, electrodes fastened to his shaved head and shaved right leg. Superintendent Ralph Kemp counted to three, a volunteer executioner pushed a button, and 2,080 volts, 20 times the charge in a household socket, coursed through Stephens for two full minutes.

But when the electricity was shut off, the prisoner twitched. Then he gasped, and began breathing steadily. Stephens, although apparently unconscious, was not dead. According to Georgia execution procedure, five more minutes had to pass before a pair of prison doctors could examine him and certify that he was alive. "The execution has not been completed," said Kemp rather formally, "and will be reinstituted at this time." The button was pushed again, Stephens stiffened and, at last, stopped moving at all.

These days it takes a botched or otherwise unusual execution to grab public attention. Executions have become so frequent they are usually relegated to a couple of column inches on the inside pages of morning newspapers. From the end of the *de facto* ten-year moratorium on capital punishment in 1977 through last year, only eleven Americans were put to death legally. Stephens' execution last week, however, was the 20th this year. Not since 1963 have the states executed so many people. Next year the rate of executions seems sure to quicken, perhaps to one a week: by most reckonings, about 50 of the more than 1,400 inmates now on death row will be put to death. "There is no question that the system is gearing up," says Richard Brody, director of the anti-death-penalty project for the NAACP Legal Defense Fund. "But even if 50 people were executed next year, another 250 new convicts would probably take their place on death rows around the country."

Thirty-nine states have death penalty statutes on the books, and opinion polls find an overwhelming majority of Americans in favor of such laws. But the debate continues over whether the death penalty discourages would-be killers and whether it can be meted out fairly. The deterrent effect has never been proved, and the preponderance of expert opinion is skeptical. In the absence of conclusive scientific evidence, the argument has turned more on morality than efficacy. Proponents claim that the death penalty is the only punishment that truly fits the crime of murder; opponents insist that capital punishment is cruel, capriciously applied and unbecoming a civilized society.

Even some advocates of capital-punishment laws are uneasy about actually imposing the penalty. Oregon voters, who abolished the death penalty by referendum in 1964, reimposed it the same way last month, but only in cases involving wanton murderers who would otherwise pose a "threat to society." The Colorado legislature this year passed a tough new capital-punishment statute co-sponsored by State Senator Ray Powers. Even so, Powers declares, "we're just not a death-penalty state like, say, Florida, and this law isn't going to make us one."

The late Alpha Stephens

So far, the surge in executions has been an exclusively Southern phenomenon: all 20 this year have taken place in the South, eight of them in Florida. "The Sunbelt has always been the most execution-prone section of the country," says Watt Espy, a capital-punishment expert at the University of Alabama Law Center, who cites the area's traditions of frontier violence and eye-for-an-eye justice. But this regionalism will probably end soon. Indiana expects to put at least one person to death during 1985. So do Nebraska, Missouri and Idaho.

The faster pace of executions has been expected. When the U.S. Supreme Court ruled in 1976 that some capital-punishment statutes were constitutional, state legislatures promptly began passing new laws that conformed with the high court's criteria. The murderers convicted under those statutes are only now exhausting their appeals. "The people who are getting executed have already had stays," says University of Florida Sociologist Michael Radelet "And the people on death row are running out of issues for the courts to rule on."

Opponents of capital punishment are refining two lines of legal challenge. Generally they argue that the states' new elaborate sentencing criteria mean that the death penalty is imposed inconsistently and unpredictably. Only a small fraction of capital murderers are sentenced to death, and even fewer are actually executed. Thus, those who do die may be a new species of scapegoat: guilty, but no guiltier than those thousands permitted to live. Says American Civil Liberties Union Lawyer Alvin Bronstein: "All evidence shows the current system to be highly arbitrary."

The opponents' other principal argument concerns apparent racial bias in sentencing. In many states black killers of white people have been more likely to get a death sentence than blacks who kill blacks, or whites who kill victims of either race. The most extensive study in this area, published last year, found that in Georgia during the 1970s, a death sentence was four times as likely in cases where the victim was white. The study found that among scores of factors, none were statistically more important in predicting a death sentence than the victim's race: to juries in Georgia, anyway, a white life seems to count for more.

Alpha Stephens was black, his victim white. Last year Stephens' lawyers filed a brief in the Supreme Court that cited the new study, arguing that Georgia's death pen-

PHOTOGRAPH BY FRANCESCO SCAVULLO

She's going to be looking for US everywhere.

In the clothes she buys. In her sheets and towels. Even in what she wears to the beach.

Because as a result of Congressional legislation, all apparel and home fashions manufactured in this country after December 24 will proudly bear a "Made in U.S.A." label. And we're going to be telling consumers to look for it.

We're mounting a multi-million dollar campaign that will make consumers aware of the quality, the style, and the value of merchandise made in the U.S.

And we're doing more.

Our market exceeds $100 billion annually—a significant contribution to the Gross National Product. Our industry is acknowledged to be among the most high-tech industries in the world. Continuing technological advancements are making us even more competitive every single day.

Clearly, we're doing the things that need to be done to promote our products and our industry. We're 2.2 million Americans strong. And that's a voice that's going to be heard.

Take a good look at US.

Crafted With Pride U.S.A. Council—a unified force of American cotton producers, labor, and manufacturers of fibers, fabric, apparel, and home fashions who are working to promote merchandise made in the U.S.

alty law was discriminatory in practice. The same study is the basis of three appeals still pending before the federal appeals court in Atlanta. Because of those pending cases, the Supreme Court granted Stephens a stay of execution a year ago. The legal situation seemed unchanged, yet three weeks ago, suddenly and without explanation, the court lifted the stay, clearing the way for Stephens' execution.

The Supreme Court's vacillation can be seen in the various votes of Justice Harry Blackmun. In 1983 he cast the swing vote, agreeing with the majority to stay Stephens' execution. Then he reversed himself three weeks ago, voting with the new majority to lift the stay. Then, just hours before Stephens was executed last week, Blackmun reversed himself once again, voting that a stay should be reimposed because of the unresolved question of systematic racial bias.

The high court's flip-flop in the Stephens case reflects a deep fitfulness over capital punishment. "It takes its toll psychologically, and that spills into nasty memos," says one Supreme Court law clerk. Last year in one dissent, Justice William Brennan was especially bitter. "The court has once again rushed to judgment," he wrote, "apparently eager to reach a fatal conclusion."

Indeed, the dominant conservative faction finds the protracted pursuit of appeals wasteful and diversionary, and has encouraged the lower courts to process the backlog of death penalty cases swiftly. As those backed-up cases now come surging through the courts, however, many observers are concerned that the sheer numbers will cause judicial corners to be cut, and that convicts will go to the executioner having had imperfect legal representation. One of Stephens' main appeals arguments was rejected, for instance, because his lawyers filed the motions late.

Prison officials charged with carrying out executions tend to be ready but hardly eager for the new era. "I'm at peace with myself," says Missouri Warden William Armontrout. "But I wouldn't want to sit here and do a whole mess of these things." He recently had the state's gas chamber repainted, and ordered a fresh stock of cyanide pellets. Armontrout stays friendly with his 28 death-row inmates, even though he may personally execute some of them soon. "I want the fellas to know I do care about them." By contrast, in neighboring Kentucky, preparing for its first electrocution since 1962, the executioner will be a freelance outsider the state hired through a want ad. He will wear black robes and a black hood. But Warden Gene Scroggy has had Kentucky's old electric chair stripped of its black paint and left naturally blond. "I didn't care for black," explains Scroggy. "Black was fine 22 years ago. But society, the way it is today—well, we thought we'd try to brighten it up a bit." —*By Kurt Anderson. Reported by Joseph N. Boyce/Atlanta and Anne Constable/Washington, with other bureaus*

During the 1980 influx of refugees from Mariel, many were detained for background checks

Outcasts and Immigrants

Cuba makes a deal with the U.S. to take back some undesirables

In the demonology of the Reagan Administration, Fidel Castro's Cuba ranks high, probably somewhere between Libya and Nicaragua. The only serious U.S. combat action in a decade has been against Cubans, during last year's Grenada invasion, and the Administration has refused even to consider full-scale, formal diplomatic relations. Thus it seemed a bit out of character when the White House last week announced a deal to re-establish immigration arrangements, the first agreement between the U.S. and Cuba since 1977. Castro will take back as many as 2,746 criminals and mental patients he dispatched to the U.S. along with thousands of other Mariel boat people in 1980. In return, the U.S. will begin accepting once again an orderly stream of Cuban immigrants, as well as about 3,000 anti-Castroites, former political prisoners whose promised exit from Cuba has been held up since the disruptive influx from Mariel.

The image of all 129,000 Marielitos in this country has been unfairly tainted by the drug dealing and savage violence of a comparatively few miscreants. Of the 2,746 who can now be returned to Cuba, about 2,200 have been convicted of crimes in the U.S. and the rest have been in custody ever since they disembarked in Key West, Fla. More than 1,500 are in a federal prison in Atlanta. The rest are in state and local jails and mental institutions. They will be sent back gradually, beginning in January, about 100 being flown out each month as their cases come up in federal court for review.

The 3,000 former political prisoners will get their visas as soon as the U.S. beefs up its staff in Havana to begin processing applications. More than 15,000 other Cubans have applied for regular visas, and in all, more than 20,000 may be permitted to immigrate in 1985. During the 1960s and '70s, an average of about 26,000 Cubans arrived legally in the U.S. each year, reaching a peak of 70,000 during Jimmy Carter's first year in office. Since the 1980 flotilla, fewer than 3,000 Cubans a year have been allowed into the U.S.

When Cuban-American negotiations became a serious possibility last year, Washington was inclined to discuss only the expulsion of the undesirables in U.S. custody. Cuba, however, won assurances that routine immigration procedures would be part of a deal too. The arrangement was worked out by Michael Kozak, a State Department lawyer, and Ricardo Alarcón de Quesada, a Cuban Foreign Ministry official, in three rounds of meetings in New York City, the most recent and important one just two weeks ago.

Even as it announced the small diplomatic success, however, the Administration wanted to make sure that nobody gets the wrong idea: Reagan has not gone soft on Cuban Communism. "The conclusion of an agreement on this issue does not signal any change in U.S. policy toward Cuba," declared White House Spokesman Larry Speakes. "We are willing to talk—*if* Cuba shows signs it is willing to reenter the family of nations in the Western hemisphere. So far their conduct remains totally unsatisfactory in the eyes of the U.S." ■

Castro in Havana

American Notes

MAIL

The Postman Rings Twice

. . . and from the people

Since the U.S. Post Office Department became the semiautonomous U.S. Postal Service in 1971, the cost of mailing a first-class letter has gone up about a penny a year. Right on schedule, the service announced last week that a one-ounce letter, which has cost 20¢ since November 1981, will require a 22¢ stamp starting next February. The cost of sending postcards will go from 13¢ to 14¢, second-class mail like magazines will rise 14.2%, bulk-rate third-class 13.8%, and parcel post 11.4%.

"Our costs have overtaken our revenues," said Postal Service Board Chairman John McKean. Despite mechanization and the automation of mail sorting, the service has barely managed to keep up with an explosion in the volume of material it handles. The Post Office now needs only 702,000 employees to deliver 131 billion pieces of mail per year, 39,000 fewer than in 1970 when it processed 85 billion pieces. But the average annual pay and benefits for postal workers have gone up from $8,878 to $28,416 in the past 14 years. Even though the USPS made a $1.5 billion surplus in the three years since the last increase, it has slipped $593 million into the red in the past eight months.

AVIATION

Fear of Flying

Commercial airlines have long boasted of their impressive safety record. But a Federal Aviation Administration report released last week lists numerous lapses in safety procedures, as well as sloppy inspections by the regulatory agency. No fewer than 16 airlines, including People Express and Alaska Airlines, were forced to cut back operations briefly after an industry-wide check last spring, and 172 pilots were temporarily grounded. Among the problems cited were undertrained mechanics and lack of proof that certain pilots were qualified to fly the aircraft they were operating.


Elizabeth Dole

Transportation Secretary Elizabeth Dole and FAA Chief Donald Engen insisted that the problems, which were concentrated for the most part among commuter airlines, are being solved without compromising passenger safety. Fully 95% of all carriers are in compliance with federal rules, they emphasized. But public concerns over airline safety violations remain. A week ago, for instance, the FAA grounded Iowa-based American Central. Just one day earlier, a plane operated by Provincetown-Boston Airline, which had resumed flying after a similar suspension, crashed in Jacksonville, killing all 13 people aboard.

FUGITIVES

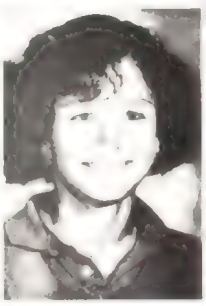
Coming In from the Cold

For five months the two mountain men, Don Nichols, 53, and his son Dan, 20, had eluded lawmen in the remote Montana wilderness near Bozeman. Many residents figured that the fugitives, wanted for the July kidnaping of Kari Swenson, a member of the U.S. biathlon team, and for the murder of a man who helped rescue her, had fled the frigid region before the onset of winter. But not Sheriff Johnny France, who had attended the same high school as the elder Nichols. "I'm a mountain man too," he insisted. "It will take one to catch one. I'll get them."

Alerted by a rancher who spotted the smoke of a campfire, France, alone and on foot, picked up their trail last week. He followed their tracks through snow and across rocky terrain for four miles. Rifle in hand, he slipped quietly toward their campsite, then strode almost casually into the opening. "Seen any coyotes around?" he asked. The father jumped up and reached for his rifle. "Please don't make me kill you!" warned the sheriff. France promised the thinly dressed but well-armed fugitives "a warm bed and warm food and warm water," then marched them into a clearing and radioed for help from a helicopter. "I had rehearsed this capture for a long time," France said afterward. "I had dreamed of it, and everything I did was just as if I'd been there before."

CRIME

Profile of a Murder Suspect


Kirsten Costas

Can competition to become a high school cheerleader get so hot that it leads to murder? Police in the comfortable suburban San Francisco community of Orinda had to consider that possibility last week. They arrested Bernadette Protti, 16, and charged her with the killing last June of Kirsten Costas, 15, a fellow student at Miramonte High School. Kirsten had beaten out Bernadette and other applicants for a cheerleader's position. The stabbing had shocked the affluent city.

The arrest was made after police spent six months trying to find a suspect matching the description provided by a lone witness, who said that Kirsten had been attacked by a blond teen-age girl driving a gold Pinto. The owners of nearly 750 Pintos had been checked to see who might have had access to the autos. Quizzed earlier, Bernadette had calmly denied any involvement. She was arrested only after a psychological profile provided by the FBI suggested that the murderer would be convinced the slaying was justified and would show little reaction under questioning. The FBI also projected the likely income class and possible motives of such a killer. Said Sheriff Richard Rainey about the profile: "It was right on the money."

ILLINOIS

Of God and Mammon

Like many other rural congregations, the Kinmundy United Methodist Church (congregation: 170) in southern Illinois has long relied on the collection plate for its modest income. But all that changed this year when a tract of farm land, which had been willed to the church nearly 30 years ago, began spewing oil at the rate of 165 bbl. a day and producing $10,000 royalty checks for the church every month. Since then the membership has been arguing over God's intentions for the money.

Some say it should be plowed into good works, including a few improvements at the 80-year-old red brick church. Thriftier souls say the money should be placed in a trust. A flood of more than 500 supplicants, seeking everything from rent money to a new roof, has compounded the problem. Nor is the situation improving. A second well, adjacent to the first, started spouting oil, doubling the church's monthly income. So far, more than $100,000 has been banked locally, and the money could easily flow to the church for the next 20 to 30 years. "We're just trying to do the right thing for God," says Kinmundy's pastor, the Rev. John Hartleroad. "But it's really not been any fun."

Tutu receives award from Nobel Prize committee's Egil Aarvik

Reagan signs a bill commemorating International Human Rights Day

World

SOUTH AFRICA

Railing Against Racism

As Pretoria continues a crackdown, Reagan denounces apartheid

According to Ronald Reagan, it was a matter of conscience. Administration critics suspected that he had political considerations in mind. Whatever the reason, the President last week felt a need to retreat, at least briefly, from one of his Administration's most staunchly held foreign strategies. In an International Human Rights Day address, Reagan paused in a litany of familiar themes (the Soviets' "barbaric war" in Afghanistan, Iran's persecution of the Baha'i religious minority) to broach a surprise topic. "The U.S. has said on many occasions that we view racism with repugnance," he asserted. He then confessed "our grief over the human and spiritual cost of apartheid in South Africa."

Specifically, Reagan called for an end to two South African policies: 1) the forced relocation of several million of the country's 23 million blacks, most of them to remote, impoverished "homelands," and 2) the detention without trial of black leaders. The practices, said the President, "can comfort only those whose vision of South Africa's future is one of polarization, violence and the final extinction of any hope for a peaceful democratic government." Reagan asked the government in Pretoria to broaden "the constructive changes of recent years . . . to address the aspirations of all South Africans."

The President's unusual public utterance was his first lengthy and specific statement on the subject of apartheid, South Africa's policy of racial separation, since he took office. The move was seen by many of Reagan's critics and supporters alike as a sharp change within the Administration's longstanding policy of "constructive engagement," in which open criticism of South Africa is deliberately suppressed in favor of behind-the-scenes encouragement of improvements in race relations. U.S. officials, however, quickly denied that anything had changed. The President's remarks, said State Department Spokesman Alan Romberg, were "fully consistent with what we have been saying, and will continue to say, both publicly and privately to the South African government. We are not changing the policy at all."

In fact, there was widespread suspicion in Washington that Reagan was bowing to a wave of anti-apartheid protest that continued to grow last week in the capital and at least 13 other U.S. cities. Two miles from the Old Executive Office Building, where the President spoke, a steady trickle of luminaries continued to join the picket line that sprang up in front of the South African embassy three weeks ago. In all, more than 50 people, including 13 members of Congress, have been arrested in the protest. Among those charged with trespassing or crossing a police line last week were Democratic Representatives Louis Stokes of Ohio and Mickey Leland of Texas, along with various civil rights leaders.

Picketing against South Africa in Houston

CONNOLLY—GAMMA LIAISON

As the anti-apartheid protest swelled, the black South African churchman who helped inspire it took possession of the 1984 Nobel Peace Prize. Clad in a red cassock and wearing a gold pectoral cross, South African Anglican Bishop Desmond Tutu accepted the Nobel committee's $181,000 cash award and 7.2-oz. gold medal in Norway's University of Oslo Aula. Shortly before the ceremony, Tutu, who a week earlier had declared in Washington that U.S. policy toward South Africa was "immoral, evil and totally un-Christian," was forced along with other dignitaries to evacuate the Oslo hall for 65 minutes after police received a bomb threat. No explosives were found. At the traditional Nobel laureate's lecture the next day, Tutu lashed out at his government's racial policies, noting that "blacks are systematically stripped of their South African citizenship and are being turned into aliens in the land of their birth." Said he: "This is apartheid's final solution, like the solution the Nazis had for the Jews in Hitler's Aryan madness."

President Botha at graduation ceremonies last week near Cape Town

SLOOTE SYCHENBACH

While the Reagan Administration may have yielded a bit in the face of growing opposition to "constructive engagement," South Africa has not moved an inch. In Pretoria, Foreign Minister Roelof ("Pik") Botha restated his government's defiance of outside pressure. "South Africa will not allow itself to be dictated to by foreign elements, especially protesters and radical actions of pressure groups overseas," he declared. Said Executive President P.W. Botha: "South Africa will make its own decisions."

In what appeared to be a minor concession, the Pretoria government last week released five of eleven black leaders who were detained without charges in the past three months. The remaining six, however, are expected to be charged under the country's Internal Security Act with subversion, treason or promotion of an unlawful organization. The maximum penalty: a life sentence or death. In a further indication of its tough mood, the government last week arrested two of three anti-apartheid activists as they left the British consulate in Durban after seeking sanctuary in the building for 91 days. They are expected to be charged in the same fashion.

The latest crackdown comes during South Africa's most violent civil unrest in eight years. The upheaval began with August's elections for a new tricameral Parliament, which for the first time gives a limited voice in the central government to the country's 2.8 million people of mixed race and 850,000 Indians. The 4.7 million whites still have the final say on all important matters and, of course, blacks remain totally unrepresented. Riots later swept the economically depressed black townships to the south and east of Johannesburg. Then came a Transvaal labor stoppage: 800,000 black workers took part; 6,000 of them were fired. In the past 14 weeks, as a result of the unrest, 163 people have been killed and hundreds injured, most by security forces. So far this year, 1,093 people have been detained in South Africa, *vs.* 453 in 1983, and only eleven have been convicted of any crime. The latest round of repression has led to an uneasy calm, broken occasionally by isolated bombing and rock-throwing incidents.

The unrest comes, ironically, at a time when the regime can point to some measurable improvement in the lot of its black majority. The Botha government has loosened a number of minor racial restrictions and, more important, reformed the country's segregationist labor laws. One effect of that change, according to a leading South African labor and industrial consulting firm, Andrew Levy and Associates Ltd., is that the trade union movement is likely to become "a major vehicle for black political aspirations."

Petty apartheid at work

WILLIAM CAMPBELL

Black membership in trade unions more than tripled between 1980 and 1983, to 670,000. Blacks now make up 43.4% of total union strength, whites just under 34%, and Indians and people of mixed race not quite 23%. Whites on average still earn more than four times as much as blacks. Yet real income for whites has declined slightly during the past decade, while average black income has climbed by more than 50%, to $1,560 a year. By the year 2000, the black population is expected to account for more than half of South Africa's consumer purchasing power.

The increase in blacks' economic clout has not yet made any significant difference in their living conditions or in the tremendous onesidedness of government spending on education ($87 per pupil for blacks, $659 for whites). Blacks are typically crowded into dreary suburban townships like Soweto (pop. about 1.5 million), where electricity is only now being introduced, almost no stores are permitted, and few homes are privately owned. Blacks cannot live, work or even walk where they want to without permission, and are forbidden to marry across the color line. Despite the reduction in social or "petty" apartheid, they are still denied equal rights on buses and trains, and in restaurants and hotels in many places.

Some of those conditions may change after the new tricameral Parliament begins its inaugural session in January. President Botha is expected to introduce a substantial agenda of reform legislation, if only to give the limited power-sharing arrangement some badly needed credibility. Informed South African sources expect that laws against mixed marriages and interracial sex will be repealed in the next year. Parliament may also consider legislation to ease current restrictions on nonwhite, especially black, ownership of homes.

An additional prospect for change in South Africa appeared last week in faraway Manhattan. A group of executives representing 120 U.S. corporations, whose firms last year accounted for much of the $2.3 billion in U.S. direct investment in South Africa, unanimously endorsed a new anti-apartheid strategy prepared under the auspices of the Rev. Leon H. Sullivan, pastor of the Zion Baptist Church in Philadelphia, who has long been a civil rights activist. The latest version of the "Sullivan principles" commits the companies to support freedom of mobility for black workers, the unrestricted right of black businesses to locate in South African urban areas, and the eventual end of all apartheid laws. The methods of pursuing those goals, said Sullivan, "will be determined as we go."

None of these factors, however, will soon affect the main pillars of apartheid: residential and educational segregation and forced relocation to the homelands. Nor are those pillars likely to fall soon. For one thing, the fear of retaliatory action by blacks in the event of majority rule is so pervasive among whites that even minor moves against apartheid provoke a fearful political backlash. Yet so long as those barriers remain, the potential for upheaval will persist. Says Helen Suzman, a Liberal Member of Parliament and longtime foe of apartheid: "I see an ongoing situation of unrest that will have flash points."

That means, among other things, that the Reagan Administration could continue to have problems convincing Americans that constructive engagement is the proper way to deal with South Africa. The Administration may be right that Western hopes and expectations for reform in South Africa are unrealistic and that even drastic punitive action, such as pulling all U.S. investment out of South Africa, would be unlikely to change that unpalatable fact. The U.S. can in fact claim some success for helping persuade South Africa to sign recent agreements with its black neighbors.

Beyond that, the reforms that have taken place inside South Africa are more significant than many critics care to admit. As U.S. Ambassador to South Africa Herman Nickel put it, "Evolutionary change, almost by definition, is incremental change, and it is only natural that each increment will be viewed as inadequate by those who feel aggrieved by the present system." The problem is that the same point of view could be used as an apology for whatever cosmetic changes the South African government chooses to make. The Administration is likely to feel increasing pressure to prove that its policy means something more substantial. —***By George Russell. Reported by Marsh Clark/Johannesburg and Barrett Seaman/Washington***

BALDEV—SYGMA

News that the plant was reopening sends thousands to the local train station

INDIA

Clouds of Uncertainty

For Bhopal and Union Carbide, the tragedy continues

The Union Carbide pesticide plant in the central Indian city of Bhopal looked as if it were being prepared for a war. All day long, giant Indian Air Force MI-8 helicopters swooped down into the area, while special Indian Army units trained in chemical warfare were airlifted to the local airport and positioned within the 72-acre compound. Around the city, more than 2,000 paramilitary troops and armed police officers were moved in to lend emergency assistance. Meanwhile, thousands of civilians were fleeing the city.

A week after 45 tons of methyl isocyanate leaked out of the plant, leaving more than 2,500 people dead in the worst industrial disaster ever, the facility was preparing to resume operations temporarily. About 15 tons of the deadly chemical still remained in storage tank No. 619. If it were allowed to stay there indefinitely, it could turn into gas and start leaking again. After much deliberation, a team of top Indian and American scientists decided that the safest solution was to reopen the facility for five days or so, just long enough to process the excess methyl isocyanate into pesticide. As thin trails of black smoke once again began to curl out of the plant's smokestacks, 30 workers walked past the paramilitary forces guarding the main gate and reported back to work.

While Bhopal was full of frantic activity, an air of funereal quiet hung over Union Carbide's sprawling headquarters in Danbury, Conn. Flags were flying at half-mast; Christmas parties had been canceled. "Nobody is feeling very festive around here," said a company official. Indeed, the survivors of the tragedy and those being accused of responsibility for it were distinctly hard pressed last week. Both groups remained haunted by the prospect of delayed repercussions: the 200,000 residents of Bhopal who had inhaled the gas faced lingering fears and possible long-term medical effects, while Union Carbide had to face the complex financial and legal fallout from the disaster. Even as the Indian Central Bureau of Investigation set into motion its official inquiry, U.S. lawyers descended on the stricken city to help its residents file multibillion-dollar lawsuits against Union Carbide *(see box)*.

As the countdown to the factory's reopening continued, state officials took drastic precautions to prevent a recurrence of the fatal leak. Throughout the detoxification process, which was to be undertaken only during daylight hours, a helicopter was to circle 200 ft. above the plant. At even the slightest sign of a gas escape, the pilot, protected by a special oxygen mask, would release up to 317 gal. of water to degrade the lethal chemical. If more water were needed, two more helicopters would come to the rescue. All around the facility, blinking lights were set up to help guide the pilots, and the army was to be kept on alert. To dramatize his confidence in the safety of the operation, Arjun Singh, chief minister of Madhya Pradesh, vowed to remain inside the plant for the duration of the process, and to post his senior advisers just outside.

None of those precautions, however, were sufficient to assuage the fears of many Bhopal residents. Even as policemen bearing megaphones cried, "No danger, no danger!" tens of thousands of people left town in a hurry. Dressed in their best clothes, they packed belongings, withdrew money from banks and crowded into, and often on top of, buses and trains. Bicycles, bullock carts, three-wheel scooters and rickshas clogged the streets. With the detoxification still nearly 36 hours away, an estimated 200,000 of the city's 672,000 residents had fled.

Meanwhile, Union Carbide representatives were working to heal the damage done to the company's good name by the disaster. The head office of its Indian subsidiary in Bombay announced that it was rushing medical supplies, doctors and chemical experts to help the survivors. The home office in Danbury promised to set up an orphanage for the more than 500 children left parentless by the disaster. In addition, the company, which had annual profits of $79 million last year on sales of $9 billion, offered $1 million to a relief fund. But state officials were by no means satisfied. Said Chief Minister Singh when offered the money: "There is no question of accepting this token gesture."

That hostility had been evident when local authorities briefly placed Union Carbide Chairman Warren Anderson un-

BALDEV—SYGMA

Bringing moral support to the afflicted, Mother Teresa visits a Bhopal hospital

Even as wards emptied, concerns about the poison's long-term effects increased.

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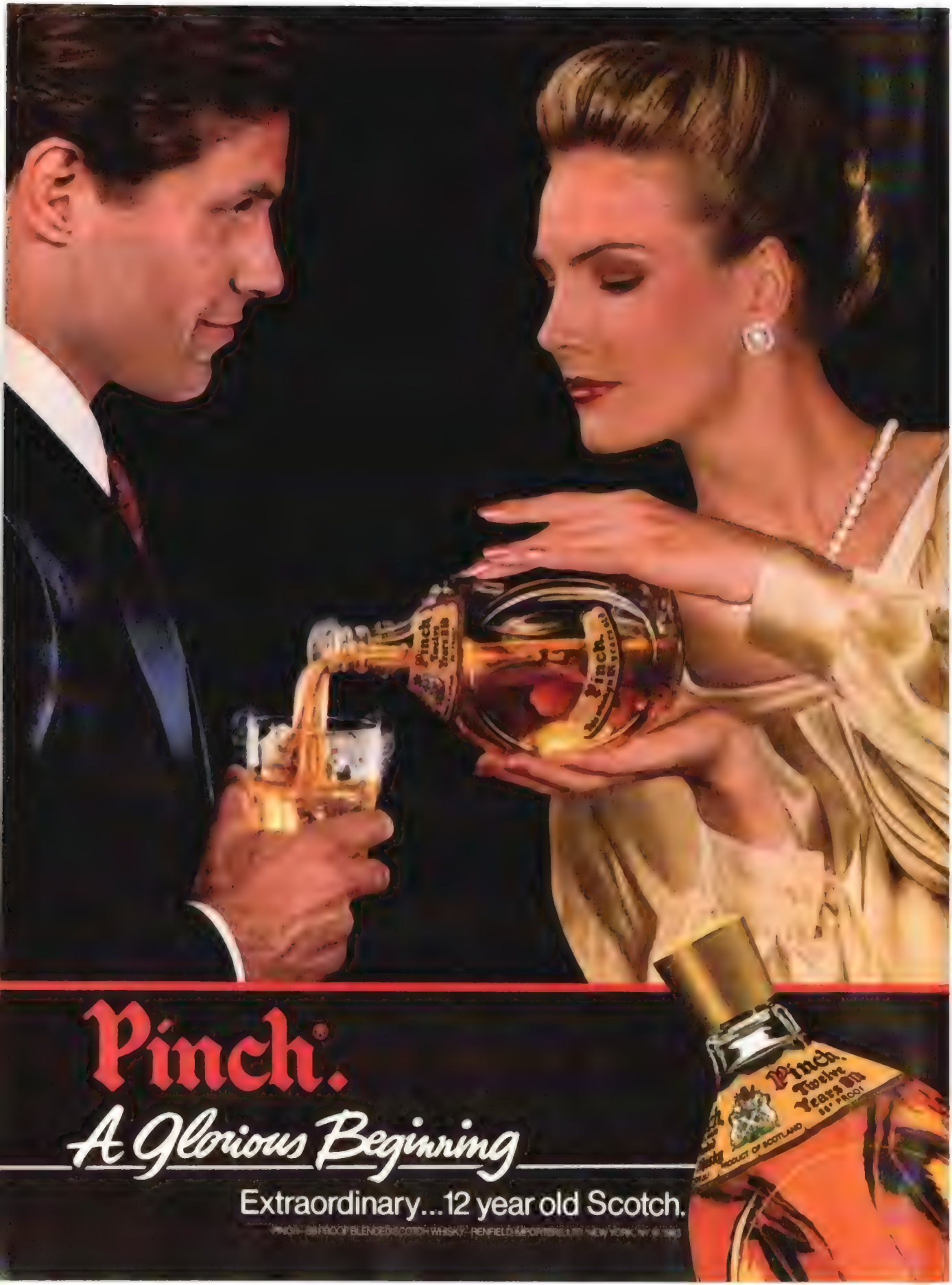

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der house arrest as soon as he arrived in Bhopal to inspect the damage. Upon returning to the U.S. last week, Anderson insisted that neither he nor his company was responsible for the tragedy. But, he said, "Union Carbide has a moral responsibility in this matter, and we are not ducking it." Anderson said he would consider returning to India to stand trial on charges of crimes including "criminal conspiracy," which under Indian law carries a maximum penalty of death. One hopeful sign for the firm was that the two Indian colleagues who had been jailed with Anderson were released last week on $7,500 bail each.

Union Carbide also made public a report compiled two years ago by three company inspectors. On a tour of the Bhopal plant in May 1982, the team had discovered ten potentially major safety deficiencies, as well as a number of other irregularities. These included a pressure relief valve on a gas storage tank that would be unable to stop a "runaway reaction" and a possibility of "accidental overfilling" of a tank holding the lethal chemical. All—or none—of those ten problems may have contributed to the recent tragedy. Company officials insisted that nine of the deficiencies had been corrected by last June. A safety valve on a methyl isocyanate storage tank was still malfunctioning, they conceded, but it was nowhere near the tank that caused the disastrous leak. The firm did acknowledge that no U.S. supervisor had visited the Bhopal plant since the 1982 inspection, and no major audit of the facility had been undertaken in more than two years.

In Bhopal, meanwhile, the scene at Hamidia Hospital remained tense. When Ashok Bhaba, a local politician, accused two senior doctors of discharging a patient prematurely, a scuffle broke out, and 900 young doctors went on a 21-hour strike in support of their two superiors. At almost the same time, Mother Teresa visited the hospital, and the city, to bring spiritual comfort. As news of the factory's resumption began to spread, even patients who could hardly walk checked out of the hospital and joined the mass exodus. Wards that had been overflowing just one week earlier were left almost empty.

Doctors in Bhopal were growing increasingly concerned about the long-term effects of the chemical. Many of the early victims of the poison gas were suffering from secondary infections, especially pneumonia. Even soldiers who had arrived in the city 30 hours after the gas escaped began to develop swollen eyes and debilitating coughs. Indeed, at times last week it seemed that the Bhopal tragedy might never end. When refugees from the city arrived in the neighboring state of Uttar Pradesh, they were suspected of carrying fatally contagious diseases. In many cases, family and friends shunned them. ***—By Pico Iyer. Reported by Dean Brelis/Bhopal and Peter Stoler/New York***

The Great Ambulance Chase

The survivors barely had time to mourn when suddenly there they were: American lawyers. Looking for business. They courted Indian legal experts over leisurely meals in New Delhi's finest hotels. They culled documents at makeshift relief offices outside the Union Carbide plant in Bhopal, seeking the names of potential clients. Their motives, the U.S. lawyers insisted, were pure. As Melvin Belli, the flamboyant San Francisco attorney sometimes called the "King of Torts," put it, somewhat inelegantly, "I am here to bring justice and money to those poor little people who have suffered at the hands of those rich sons of bitches." But others saw less admirable reasons for the legal presence. Said Mont Hoyt, chairman of the American Bar Association's international law and practice section: "They're trying to get a piece of the settlement."

The lawyers, who under standard contingency-fee arrangements in the U.S. can earn 30% of the awards they win in a personal-injury case, are hoping to turn the Bhopal gas leak into the most profitable disaster ever. Mega-claims have already been brought against Union Carbide in a number of U.S. jurisdictions where the company does business. Belli is seeking $15 billion in a class action filed in Charleston, W. Va. The Santa Monica, Calif., law firm Gould & Sayre has put in a $20 billion class-action claim in New York City. Coale & Associates of Washington expects to represent thousands of Bhopal victims in a suit that will probably be filed in Connecticut.

U.S. Lawyer Melvin Belli talks to survivor

Though some legal actions have been started in India, the focus of activity is in the U.S., where the financial rewards are potentially greater. "The price of life is worth less in India than in the U.S.," said Hoyt bluntly. In addition, filing fees for damage suits in India are almost prohibitively high, and the courts are notoriously slow. "If the suit were filed in India, the judgment would be in the next century," said Nani Palkhivala, one of India's most respected attorneys. More important, the U.S. offers more generous legal grounds on which to base a case. Lawyers can file a suit for negligence, under which a plaintiff would have to prove carelessness on the part of Union Carbide. But more appealing is the doctrine of strict liability, under which negligence need not be proved. Said Belli: "It doesn't matter that you didn't intend to bring harm. What matters is that it happened. In this Bhopal case we can damn well prove that it happened." His plan: "We'll have videotape of all those poor bastards who are sick and dying. We will have a brochure on every single person who was killed."

Before U.S. jurors and judges see such grim testaments of the tragedy, however, the question of jurisdiction must be resolved. The American lawyers representing Bhopal clients argue that suits can be brought in the U.S. because Union Carbide India is 51% owned by the Union Carbide Corp. of the U.S. and is thus an agent of the parent firm. The U.S. corporation, they further contend, is responsible for the Indian plant's design and safety program. Cautioned Hoyt, who has represented Union Carbide in other matters: "Just because you have equity in a company doesn't mean that company is your agent." The plant in India, he suggested, might have been "fairly autonomous."

Another obstacle to an American trial, according to lawyers, is a 1981 Supreme Court ruling that an American company involved in a calamity abroad may not be sued in the U.S. just because U.S. law is more favorable to the victims. But if American courts do accept jurisdiction, there is yet another dilemma: Should the case be decided according to U.S. or Indian laws? Said Columbia University Law Professor Willis Reese: "The choice of law is of considerable uncertainty."

On one matter, however, there is little doubt. The tarnished image of American attorneys could get even blacker as a result of the Bhopal gold rush. Said Illinois Lawyer Carole Bellows: "It certainly reinforces the perception that lawyers are ambulance chasers."


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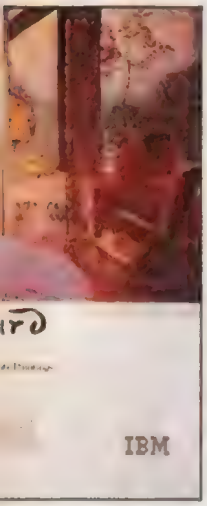
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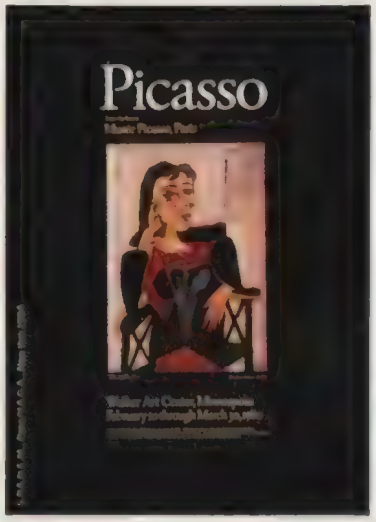
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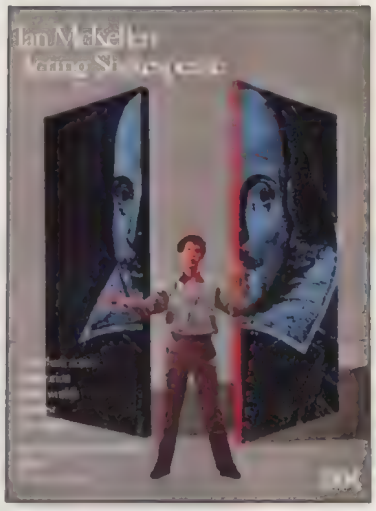
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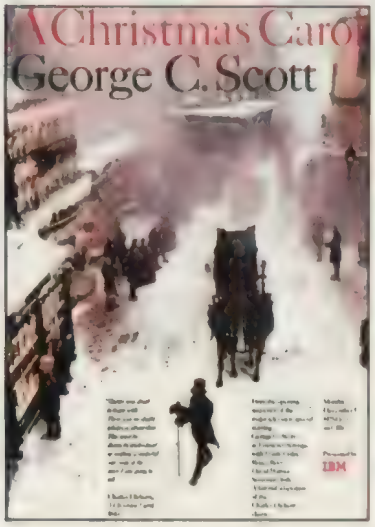
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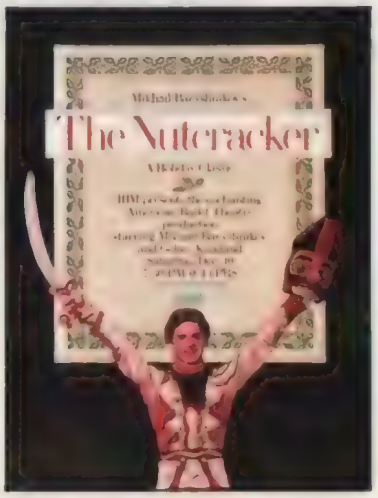
The Nutcracker


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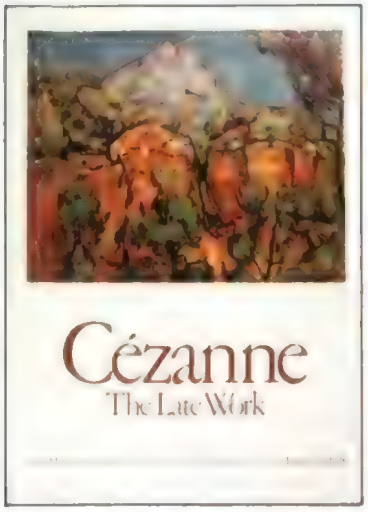

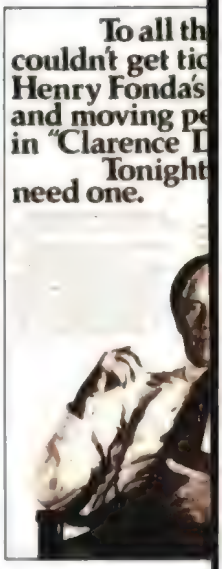

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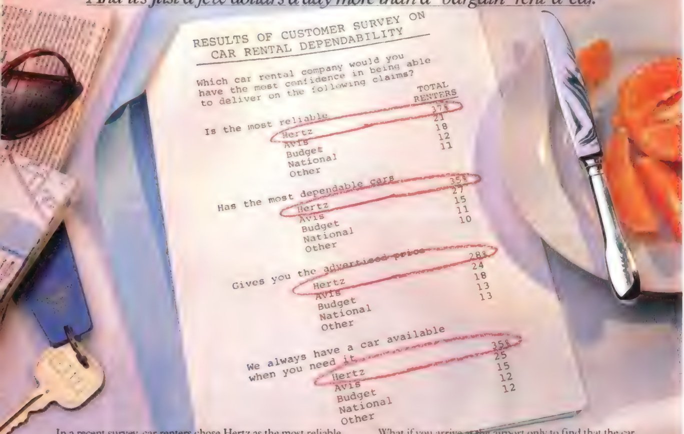

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CANADA

Hanging Out the Welcome Sign

The new Prime Minister offers assurances to U.S. investors

The message was clear. "Canada is open for business again," said Brian Mulroney. His audience, 1,450 U.S. executives and their guests at an Economic Club of New York dinner in Manhattan's Hilton Hotel, evidently liked what they heard: they gave Canada's new Prime Minister two standing ovations. Mulroney, 45, vowed that his government would be "there to assist and not to harass the private sector in creating new wealth and the new jobs that Canada needs."

In the minds of many U.S. businessmen, that would be quite an improvement. Under former Prime Minister Pierre Trudeau, whose Liberal Party held power for 20 of the past 21 years, the government bowed to surges of economic nationalism and adopted policies that sometimes made U.S. investors feel unwelcome. Mulroney's Progressive Conservative Party won a landslide victory over the Liberals after campaigning, among other issues, against a number of Trudeau-era restrictions on foreign investment. Last week's speech, which marked Mulroney's second appearance in the U.S. since taking office, indicated that the Prime Minister intends to make good on his promises. Said he: "Our government has embarked on a fundamental change in our economic direction."

That change comes as Canada struggles to climb back from its most severe recession since World War II. From mid-1981 to late 1982, an estimated 550,000 people lost their jobs, and the unemployment rate rose from 6.8% to 12.8%. Despite two years of modest improvement, employment has still not returned to prerecession levels. Canadian industry continues to operate substantially below capacity. Said Mulroney last week: "My government considers the creation of jobs its top priority. It is, for us, a moral imperative."

A key part of that strategy is to encourage foreigners to build new plants and expand existing ones in Canada. To that end, Mulroney has announced his intention to close down Canada's decade-old Foreign Investment Review Agency, which screened all new foreign investments. In its place, he is creating Investment Canada, an agency that will, in the Prime Minister's words, "encourage and facilitate investment." Like its predecessor, however, Investment Canada will have the right to review potential foreign entrants into businesses deemed important to Canada's cultural heritage and national identity. Most direct takeovers of existing Canadian businesses whose assets exceed $3.8 million will still be eligible for review.

Mulroney said he also plans to alter the controversial "back-in" provision of the 1980 National Energy Program. The rule stipulates that the Canadian government is entitled to 25% of any successful offshore oil discovery by a foreign firm. The party's position during the campaign last summer was to exact the same share as before, but turn it over to private Canadian companies willing to pay for the share instead of having the government keep it. From the point of view of U.S. firms, that still means an off-putting surrender of a quarter of any new discovery.

FOURNIER—CONTACT

Mulroney addressing executives in New York City

"A fundamental change in our economic direction."

As Mulroney reminded his listeners, Canada is by far the U.S.'s largest trading partner. Total commerce between the two countries last year exceeded $90 billion, an amount that surpassed U.S. trade with Japan by more than $27 billion. Moreover, said Mulroney, the second largest U.S. trading partner "is not Germany or Japan but Ontario, a province of Canada." Looking up from his text, he added, "How do you like them apples?"

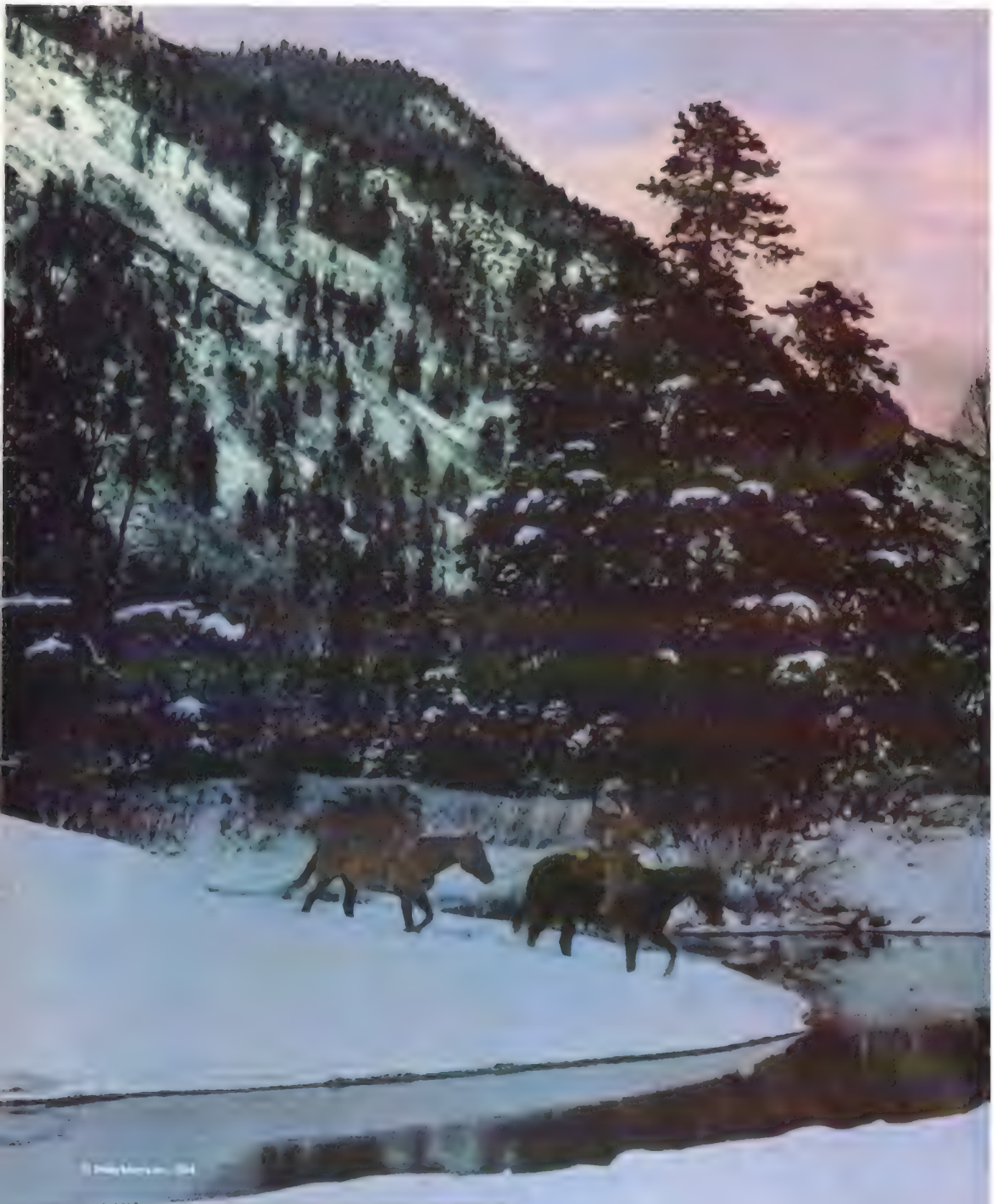
Just fine, judging by Mulroney's reception last week—though some U.S. executives, who recall similar declarations of amity during the Trudeau years, remain skeptical. "U.S. executives understand the cycles of Canadian anti-Americanism," said one listener. "They know that when they [the Canadians] are down, they tend to cozy up to Americans." Other executives, however, were less critical. After Mulroney's speech, Edward Hennessy, chairman of Allied Corp., told the Prime Minister, "What you said here tonight is indeed a breath of fresh air."

Encouraged by Mulroney's initial moves, the Reagan Administration is giving him the benefit of the doubt. U.S. relations with Canada will inevitably become clearer following President Reagan's planned trip to Quebec in March, a few weeks before the Mulroney government's new budget and a number of important policy papers are unveiled. "We're watching as events unfold, and we're encouraged," said a U.S. official. It seems unlikely that any Canadian government could stimulate the economy much while facing a budget deficit of $26.5 billion, which is even higher than this year's U.S. deficit on a per capita basis. Finance Minister Michael Wilson calls reduction of the deficit "the key to growth and job creation" in his country. But Wilson fears that "Canadians may not fully grasp its consequences or share my concern about it." He is expected to announce deep government spending cuts in the spring.

Mulroney's administration has already proposed $2.65 billion worth of cuts in government spending for research, wildlife protection, student loans and industrial incentives. He vowed during his campaign to keep hands off the universal availability of major Canadian social welfare programs. His promise to increase defense spending appears to be temporarily sidelined.

Following Mulroney's speech, Canadian television viewers heard a member of the New York audience quip, "I'm glad Canada is part of the United States again." The remark offended many Canadians and fueled arguments by Mulroney's opponents that he is selling out the country to the U.S. Ed Broadbent, leader of the New Democratic Party, warned that Investment Canada will have the effect of enabling U.S. firms to buy up Canadian competitors and then close them down.

Such fears may be less threatening to Mulroney's popularity among Canadians than his apparent obsession with secrecy—civil servants are now forbidden to give background or off-the-record briefings to reporters without high-level authorization—and a growing feeling that he is moving more cautiously than necessary, especially for a Prime Minister whose party controls 211 of the 282 seats in Parliament. Mulroney has commissioned numerous studies, reviews and consultations, and is awaiting their conclusions next spring before proposing a detailed legislative program. Yet his slow and careful approach has not kept him from winning an impressive 50% approval rating in recent polls. If U.S. businessmen were included in the sample, the score would no doubt be higher. —*By Jamie Murphy. Reported by Ross H. Munro/Washington and Frederick Ungeheuer/New York*



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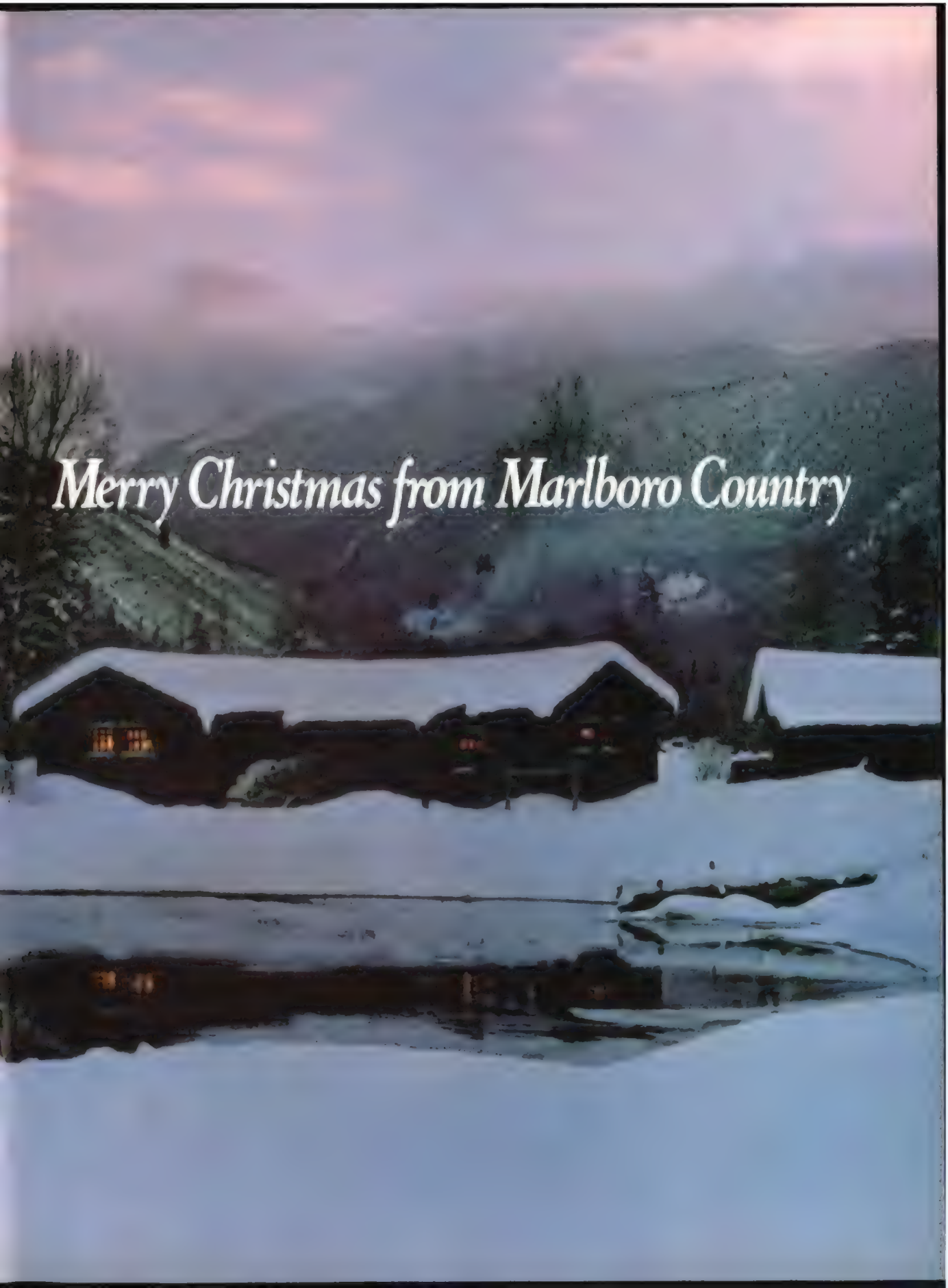

Merry Christmas from Marlboro Country

NICARAGUA

Support Your Local Guerrillas

Six months after U.S. funds stop, the contras *turn elsewhere*

Once the mule is saddled and mounted, there is no turning back.
—Honduran proverb

Like the proverbial mule, the *contras* fighting the Sandinista government of Nicaragua just keep plodding along. Six months after the U.S. Congress voted to cut off their covert Central Intelligence Agency funding, the rebels have come to depend increasingly on supplies and money from private U.S. sources. Economic hardship has forced the guerrilla factions to halt their frequent bickering, but a united front remains elusive. The war itself has quieted down, with the insurgents avoiding battles with Nicaraguan troops in favor of ambushes and hit-and-run strikes. The overall reality, however, has not changed: the *contras* right now are too small in number and too ill equipped to threaten the Sandinistas seriously, but they are also too stubborn to give up. "The *contras* know they can't win, but they won't admit it," says a prominent Honduran businessman. "At first they thought they would sweep into Managua. Now they know they are in a quagmire."

The rebels contend that the future is not that bleak. The Nicaraguan Democratic Force (FDN), the largest of the guerrilla groups, has about 6,000 troops, up from 4,500 a year ago, deep inside Nicaragua. FDN Leader Adolfo Calero Portocarrero says he is close to linking forces with the Revolutionary Democratic Alliance (ARDE), another *contra* group operating in southern Nicaragua. The chiefs of two Miskito Indian rebel groups remain at odds, but disgruntled commanders in both camps are trying to forge an alliance on the battlefield. Though many divisions remain, the FDN is gradually exerting its control over the entire *contra* movement. "There is an awakening toward the necessity of a joint effort by all the forces," says Calero.

Many *contras*, however, are barely surviving. Times have been hardest for Edén Pastora Gómez, the volatile leader of an ARDE branch that at one time had as many as 2,500 men. Over the past few months, hundreds of his supporters have sought refuge in Costa Rica, where many of them have sold their $1,000 automatic weapons for as little as $100. "In the best month, we got $600,000 from the gringos," recalls a Pastora aide. "Now, we get nothing. If one of us manages to scrape together $5,000, we buy rice and maybe 20,000 rounds of ammunition." Last month Pastora sought temporary asylum for himself and 700 of his followers in Costa Rica, but the authorities refused him.

Though official U.S. aid has dried up, CIA agents still reportedly advise *contra* leaders on military tactics. The rebels have tapped fresh sources of support; among the countries rumored to give assistance are Colombia and Taiwan. Help also comes from Nicaraguan and Cuban exiles living in Florida as well as from a network of conservative groups in the U.S. Food, clothing and medical supplies have been sent to the families of *contras* by such organizations as the Christian Broadcasting Network, headed by Virginia Television Evangelist M.G. ("Pat") Robertson, and the Friends of the Americas, a Louisiana-based group dedicated to fighting Communism. Many of these efforts are coordinated by the American chapter of the World Anti-Communist League, headed by retired U.S. Army General John Singlaub, 63. He boasts that he and others have raised about $500,000 a month for the FDN since May, but *contra* leaders say that is an exaggeration.

DONNAY—J B PICTURES

FDN rebels patrol along the Honduran border with Nicaragua

Still too small in number and ill equipped to be a real threat.

Some U.S. groups offer men as well as money. The Civilian Military Assistance, an obscure anti-Communist organization in Alabama, is said to have sent several men to serve with the guerrillas. Two CMA members were killed in September when their helicopter was shot down during a rebel air assault. The group's leaders have told the FDN that they have the names of 3,000 Americans eager to help the *contras*. U.S. officials, perhaps skeptical of CMA's figure, profess not to be overly concerned. "If Americans give indirect support to the *contras*, more power to them," said a Reagan aide. "But participating in gun battles inside Nicaragua? We'd rather they didn't."

The White House plans to try again next year to persuade Capitol Hill to restore *contra* funding. Congress approved $14 million in CIA aid for the rebels in October, but insisted that Reagan submit the proposal for a second vote in March before the funds could be spent. Passage may be more difficult than the Administration expects. Republican Richard Lugar of Indiana, the new chairman of the Senate Foreign Relations Committee, predicted last week that Congress would reject requests for more aid.

Some U.S. officials contend that the *contras* will be in danger of extinction next year unless they receive more arms. According to Washington, the Sandinistas are assembling up to a dozen Soviet-made Mi-24 Hind helicopters capable of flying some 200 m.p.h. and carrying air-to-surface missiles. To counter the lethal gunships, the rebels would need Redeye or SA-7 antiaircraft missiles. A member of the intelligence community points out that the FDN already has run out of ammunition for its grenade launchers, M-60 machine guns and antitank weapons, and must rely almost entirely on hand-held weapons. The possibility that the *contras* might collapse has begun to be voiced by others. In return for continuing to allow them to operate from Honduras, the government there has asked Washington for guarantees that it would resettle the rebels in the U.S. if their crusade fails. Concludes a top U.S. official: "Potentially, they are in very bad shape."

The Sandinistas suffered some embarrassments of their own last week. After five years of warnings, the Society of Jesus expelled Fernando Cardenal Martínez when the priest refused to resign as Nicaragua's Education Minister. Jesuit officials in Rome cited a 1983 canon law that forbids priests to hold posts that carry civil powers. In a 19-page open letter, Cardenal defended his job as a "pact with the poor." There was no word from the Vatican on the three other priests in the Nicaraguan government, including Foreign Minister Miguel d'Escoto Brockmann.

Three days after Cardenal's expulsion, Pedro Joaquín Chamorro Jr., editor of *La Prensa*, the country's only opposition paper, announced that he had temporarily moved to Costa Rica. Chamorro charged that censorship and travel restrictions had grown so severe since last month's national elections that life had become "impossible." It is a measure of the task facing the *contras* that they have so far been unable to turn discontent like Chamorro's into support for their own cause. ***—By James Kelly. Reported by Ricardo Chavira/Tegucigalpa and Ross H. Munro/Washington***

DIPLOMACY

On the Road Again

Even before Mikhail Gorbachev, 53, the fast-rising heir apparent in the Kremlin, touched down last Saturday at London's Heathrow Airport, British officials were busy trying to downplay the importance of his eight-day official visit. The British feared that the trip would focus too much Western attention on his status as the most likely successor to Soviet Leader Konstantin Chernenko. That in turn might weaken Gorbachev's chances and strengthen those of his chief rival for the job, Grigori Romanov, 61, a fellow Politburo member widely considered to be a dogmatic hardliner. Nonetheless, Prime Minister Margaret Thatcher will be looking for any clues to Soviet thinking on arms control in view of next month's meeting between Secretary of State George Shultz and Soviet Foreign Minister Andrei Gromyko.


SAM MOGHERA

Gorbachev arriving in London

Said a Western diplomat in Moscow: "This is a big moment for Gorbachev. He will be watched by the foreign audience, but he will also be watched very closely by the Soviet leadership. He can help himself or hurt himself."

BELIZE

Farewell, Founding Father

Sometimes it seemed that George Price, 65, Prime Minister of the tiny Central American country of Belize, formerly British Honduras, knew most of his 157,000 fellow citizens by their first names. After all, he had won every major election after 1954 and guided the nation since it became independent in 1981. His victory in the first post-independence parliamentary elections seemed certain.

Late last week, however, voters decided to replace their founding father. Price's People's United Party was swept out of office in favor of the United Democratic Party, which won 55% of the popular vote and 21 of the 28 seats in Parliament. U.D.P. Leader Manuel Esquivel, 44, the new Prime Minister, said he will "pursue good relations with the United States" and work for settlement of a territorial dispute with neighboring Guatemala, but his policies are not expected to differ much from those of his predecessor. So lopsided was the vote that Price lost his own Belize City seat to the U.D.P.'s Derek Aikman, 25, a newcomer to politics.

ETHIOPIA

Biting the Hand That Feeds

While aid from around the world continued to pour into drought-ravaged Ethiopia, a government relief official last week paused to discuss the reasons for the tragedy. "What is happening in many parts of the country now could so easily have been prevented," said Dawit Wolde Giorgis, commissioner of relief and rehabilitation. "It needed the horrifying pictures of death and starvation on the television screens in North America and Europe to galvanize the world into taking notice of what was happening."

Dawit's musings infuriated M. Peter McPherson, U.S. administrator of the Agency for International Development. The Ethiopian charges were "just absurd," he said. "Frankly, I think this is the classic example of biting the hand that feeds you." U.S. officials note that Ethiopia's Marxist government had spent more than $100 million on its tenth anniversary celebration last September. Said a Western diplomat in Addis Ababa: "Once they got the anniversary out of the way, they could turn their attention to the drought."

CHINA

Marx Is Dead—Long Live Marx

After introducing a number of economic reforms over the past few years, China last week adopted a device common in Western newspapers: the correction. That rare gesture came after *People's Daily* printed a front-page commentary asserting "We cannot expect the works of Marx and Lenin to solve our present-day problems of that time." Two days later, however, the paper announced that its commentary should have read, "We cannot expect the works of Marx and Lenin of that time to solve *all of* our present-day problems."

The original remark was attributed to a recent address by Party General Secretary Hu Yaobang, an impulsive speaker who has required public correction before, and reflects the thinking of Chinese Leader Deng Xiaoping. The remark was misinterpreted abroad as a major ideological shift, evidently persuading Chinese reformers to qualify Hu's words for fear of inciting a backlash among party conservatives. "Such a fuss is the last thing we wanted," said a Chinese intellectual. "We need a quiet revolution."


NEW CHINA NEWS

Deng Xiaoping and Hu Yaobang in Peking

WEST GERMANY

The Greens See Red

Inside Hamburg's ultramodern Congress Center, delegates to the seventh conference of the Greens, West Germany's amalgam of antinuclear protesters, peace demonstrators and environmentalists, largely ignored one of the many slogans on the banners: WE GREENS MUST STICK TOGETHER. So far apart were the party's two factions—the fundamentalists, who remain faithful to the party's nonpolitical roots, and the realists, who want to have an impact on national policy—that the conference nearly split the party. At issue: whether to forge a coalition with the left-leaning Social Democratic Party.

A so-called red-green alliance could, if current voter support holds, replace the center-right government of Chancellor Helmut Kohl in the 1987 national elections. The conference voted to allow such alliances on the local level but declared the Social Democrats not currently acceptable as national coalition partners. That left open the possibility of future deals with the SPD. In that event, the fundamentalists, mostly Marxist-Leninists, would make the withdrawal of U.S. missiles a key demand.

ARNOLD

Party members gather during their Hamburg convention

A Forecast of Glad Tidings

TIME's *Board of Economists rejects recession fears and sees growth in 1985*

For the U.S. economy, the best Christmas gift would be the promise of further solid growth next year. And that is precisely what TIME's Board of Economists offered last week when it met to assess the business outlook for 1985. In a spirited session that also examined the impact of sweeping tax reform and budget-cut plans, board members unanimously predicted that the economy will retain its forward momentum and avoid a recession in the year ahead. Said Alan Greenspan, a New York consultant who chaired the Council of Economic Advisers under President Ford: "There is no credible evidence that we are on the edge of a significant cracking of the system."

The board's optimistic forecast, made in the face of a slowdown that chopped third-quarter growth to an annual rate of just 1.9%, noted the absence of such traditional preslump signals as climbing inflation and badly shaken consumer confidence. On the contrary, prices continue to hold steady and shoppers have been in a fairly good mood. The Commerce Department reported last week that November retail sales were up 1.8%. That early Christmas-season gain, the healthiest monthly increase since April, helped allay retailers' fears that holiday buying would be weak. Other key indicators showed that November industrial production grew .4%, the first gain in three months, while stocks of unsold goods remain lean.

TIME's economists predicted that the gross national product will expand 2% this quarter, down from the 4% they foresaw last September, and then grow a healthy 3% to 4% in 1985. That increase would be typical for the third year of an economic recovery. Board members predicted that the pickup will trim unemployment from the 7.2% rate it unexpectedly fell to in November to 7% by mid-1985. They look for joblessness to remain stuck at that relatively high level through 1986.

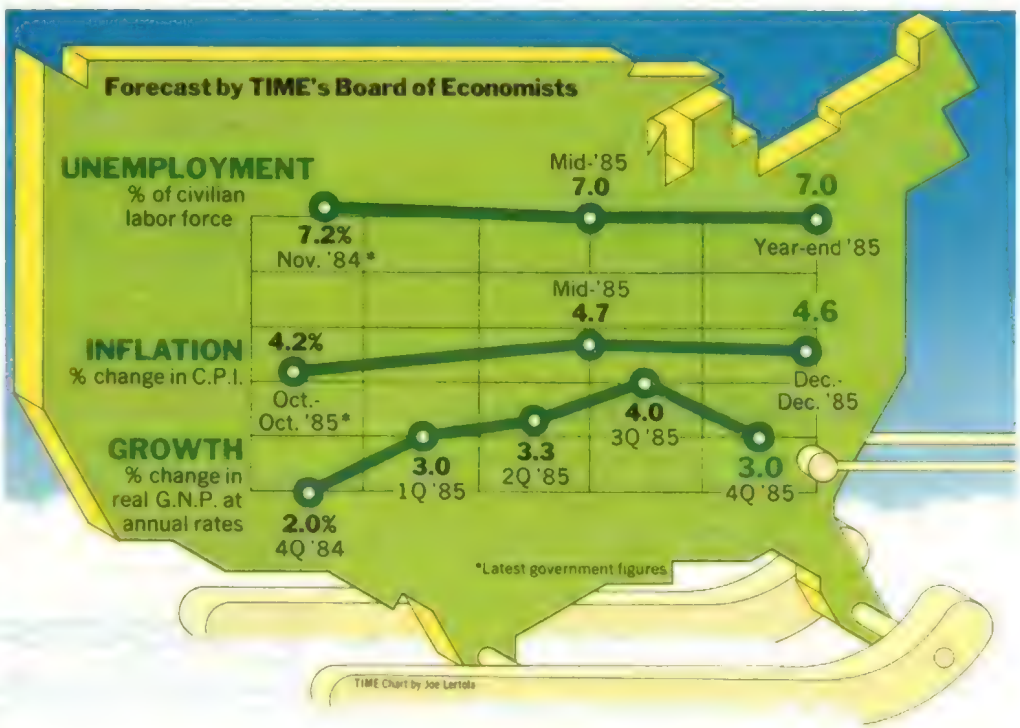
The board blamed the large, unforeseen drop in third-quarter growth on a runaway trade deficit that swelled during the period at a record annual rate of $150 billion. That gap, which measures how much more Americans have been importing than exporting, drained substantial purchasing power out of the U.S. economy and funneled it to manufacturers in Japan and other foreign countries. Without the damage wrought by the shortfall, the G.N.P. would have increased a robust 5.7% during the third quarter.

The trade gap greatly worsened what would otherwise have been a normal slowing after a period of rapid expansion. Such pauses for breath frequently aroused fears of a slump during the economic recoveries that occurred in the 1960s and '70s. Recalled Walter Heller, a University of Minnesota economist and the chief economic adviser to Presidents John Kennedy and Lyndon Johnson: "I remember Kennedy being terribly worried in 1962 that there would be a recession, and on the basis of very much the same kind of thing we are looking at here. We assured him that that would not be the case, and, thank goodness, we were right."

The trade deficit, though, will continue to inflict economic damage for at least months to come. The loss of business to foreign firms has helped slash the profits of U.S. companies to about 6% below their level of a year ago. That has crimped the firms' ability to expand and create new jobs. "Even high-tech companies cannot sell anything abroad," said Lester Thurow, an M.I.T. economist. Board members warned that a further sharp erosion of profits would be among the clearest signs that a recession was about to start.

Both the tumbling earnings and the trade gap that caused them reflect the almost incredible strength of the U.S. dollar. The high-flying currency, which has steadily broken and rebroken records over the past three years, makes foreign goods bargains while pricing many U.S. products out of overseas markets. "For the first time that I remember," said Greenspan, "the exchange rate has been the dominant short-term economic variable in the U.S. economy."

The dollar is being kept aloft by another deficit—the federal budget shortfall that is forcing the Government to issue IOUs at the staggering rate of some $200



> "There is no credible evidence that we are on the edge of a significant cracking of the system."
>
> —Alan Greenspan

billion a year. That unprecedented borrowing props up interest rates and sucks in money from all over the world. The foreign capital thus maintains the dollar's strength while helping finance the chasm between federal taxing and spending that has developed since 1981.

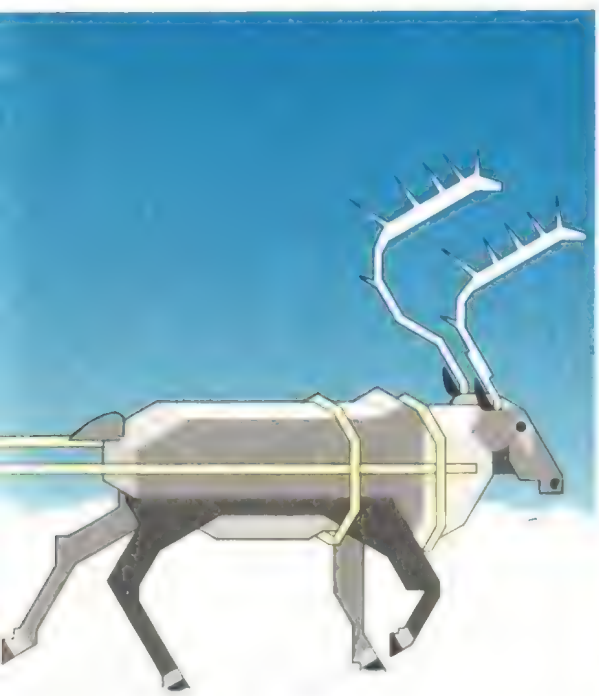
The cash influx is turning the U.S. into a debtor nation. By next spring it will join such countries as Brazil and Argentina in owing more to the rest of the world than it is lending to foreign borrowers. The U.S. has not been in such a position since World War I.

Nonetheless, one of the linchpins of the TIME board's forecast is the view that the run-up in the dollar's value is finally coming to an end. That should narrow the trade deficit if it turns out to be correct. Economists have predicted a weaker dollar before, but this time they insist their prediction is more likely to come true. Said Rimmer de Vries, chief international economist for Morgan Guaranty Trust: "The dollar hasn't really moved anywhere since September. It has fallen and then risen, and I don't think it is going to go anywhere for a while." Board members expect the currency to hover at its current level until early next year, and then start slowly down.

The economists base that outlook largely on recent actions of the Federal Reserve Board. It has been pumping out more money in order to lower interest rates, buoy the recovery and slow speculation in the dollar. Since September, the prime rate has dropped from 13% to 11¼%. De Vries suggested that further declines may be needed. Said he: "Shouldn't interest rates be a couple of percentage points lower than they are today?" The cheaper money, he argued, would further pep up the U.S. economy and help lagging nations in Europe and around the world.

De Vries, who recently returned from a visit to Argentina, noted that the U.S. rebound has become "a very, very significant factor" in pulling Brazil, Mexico and Venezuela out of their debt quagmire. Said he: "In the absence of shocks like major recessions or sky-high interest rates, the Third World debt crisis should work itself out during the remainder of this decade." He added that the biggest trouble spots at present are the Andean states of Peru and Chile, whose economies remain in the doldrums.

TIME's economists agreed that any fall in the dollar's value will test just how much U.S. inflation really has been subdued in recent years. Reason: the flood of attractively priced imports has been a powerful ally of Washington's drive to keep living costs in check. Martin Feldstein, who resigned in July as chairman of the Council of Economic Advisers, estimated that the strong dollar has knocked a full percentage point off U.S. inflation. For 1985, board members expect the Consumer Price Index to climb at a moderate 4.6% pace.



Though critical of some parts of the Treasury Department's income tax reform plan, the economists generally endorsed that highly controversial document. "My overall assessment is favorable," said Feldstein. "I think that there is much of value in the proposal." He applauded the drop in the top tax rate for individuals from 50% to 35%, and savings incentives the increased deductibility of contributions to Individual Retirement Accounts. But Feldstein opposed the attempt to bar consumers from deducting property taxes on their primary homes and mortgage interest on their secondary ones. If enacted, he said, such measures would cause a drop in housing values that could wipe out many people's residential investments.

Feldstein was unhappy with the tax plan's treatment of business. While it would slash the top corporate rate from 46% to 33%, the Treasury proposal would eliminate the investment tax credit that helps business finance new equipment. In addition, it would halt accelerated business write-offs, a tax break that the Reagan Administration pushed through in 1981. Said Feldstein: "The proposed reforms of business taxation are misguided. The effect would be to clobber plant and equipment investments."

Alice Rivlin, director of economic studies for the Brookings Institution, called the Treasury's program "an economists' kind of reform" that is triggering a clash between competing tax philoso-

> "The proposed reforms of business taxation are misguided. The effect would be to clobber plant and equipment investments."
>
> —Martin Feldstein

phies. On one side, she said, are most economists, who believe that the tax system should not be used to influence what people and companies do with their money. On the other side are politicians who advocate tax incentives to encourage such activities as home ownership, the purchase of health insurance and charitable giving. Rivlin conceded, though, that this neat separation can break down. Said she: "We economists realize the importance of things like charitable donations and say, 'O.K., we've got to leave them as deductions.'" Even so, the Treasury plan sharply reduces the amount of gifts to charity that can be written off.

The Treasury's package was carefully crafted to avoid any overall tax increase, but TIME's economists think that new tax legislation should raise additional revenues in order to reduce the budget deficit. The proposal now increases taxes on business, while lowering them for consumers. Feldstein maintained that the reduced individual rates would make any future tax hikes easier to take. Said he: "I wouldn't mind paying more taxes if my top tax rate could be reduced to 35% or 40%."

Board members were far less taken with the Reagan Administration's plan to attack the budget deficit by hacking another $237 billion mainly out of nondefense spending by 1988. Said Charles Schultze, a Brookings Institution senior fellow: "Many of those cuts are uncon-

scionable. Freezing Government spending on food stamps, aid to the elderly poor, and welfare recipients while Social Security gets off scot-free is atrocious." Concurred Heller: "An awful lot of it is a case of 'Hit 'em again! Harder!' "

Given the political unpalatability of the budget cuts and Reagan's outspoken resistance to tax increases, TIME's economists warned that a stalemate could very well develop next year over efforts to deal with the deficit. Congress would show greater willingness to cut spending, Schultze said, "if you could somehow get the President to take the heat for a tax increase as well."

He predicted that without any presidential change of heart, the dickering between the Administration and Congress over current budget proposals is likely to yield only "another down payment on the deficit, and one that isn't going to be terribly large." Schultze added, "This leads me to believe that you will really get major action on the deficit only if there is a crisis like a sharp upsurge in interest rates or some other forcing event."

Even worse than such a crisis would be the long-term consequences of doing little or nothing about the deficit. That would add some $800 billion to the national debt by 1988. "That is the worst of all worlds," said Schultze. "That is the slow poison."

> **"Freezing Government spending on food stamps, aid to the elderly poor, and welfare recipients while Social Security gets off scot-free is atrocious."**
>
> —Charles Schultze

Heller traced some of the toxin's likely effects. For one thing, he noted, each year of a $200 billion deficit adds about $20 billion to U.S. interest payments, which now total $140 billion. Simply keeping up with those rapidly rising borrowing costs will require either tax hikes or ever deeper cuts in Government programs. For another, "the bigger the IOUs that we pile up to foreign creditors, the greater the tribute that future generations will have to pay to service those debts that are fattening today's standard of living." Finally, the mushrooming deficit crowds out productive private investments by keeping interest rates high.

TIME's economists said that Reagan can avoid such nasty consequences if he seizes the opportunity to act boldly. Said Rivlin: "Whether we really get tax reform or a workable budget-reduction package seems to me to come back to whether the President is serious. My sense is that he could have them if he acted quickly and argued strongly." Added Thurow: "If Reagan wants to exercise a conservative mandate within limits, I think he will be able to do it simply because the Democrats don't have an agenda." Regardless of their feelings about Reagan's policies, the board members agree that any solution to the budget deficit is largely in presidential hands. —*By John Greenwald*

The High-Tech Challenge

There is nothing like an old idea whose time has come again. The Federal Government's agricultural Extension Service, set up in 1914, is one of the most successful programs Washington has ever developed. It helped spread new technologies and made American farms the most efficient in the world. John Zysman, 38, codirector of the University of California's Berkeley Roundtable on the International Economy and a guest at the meeting of TIME's Board of Economists, believes the U.S. can use a similar service for high technology.

Advanced technology is not the province of just a few way-out industries. Zysman, who studies the exotic fields from the outskirts of California's Silicon Valley, maintains that the frontier industries are changing the way other, more commonplace businesses are conducted. These technologies, he says, are "transforming the whole economy." Textiles and apparel making, for example, are usually considered labor-intensive, backward industries. But instead of being displaced by that technology, contends Zysman, textile manufacturing is part of the new industrial revolution. Cloth can be cut by laser beams, and looms are driven by computers programmed, ironically in some cases, to duplicate the irregularities of hand weaving. Insurance companies offer a variety of policies that would not have been possible before the arrival of computers. Even salami is cut precisely with equipment guided by microprocessors.

JOHN MCGRAIL

Berkeley's John Zysman

International competition, however, is fierce, and Zysman argues that American policymakers should create a climate in which companies can prepare to face the onslaught from abroad, especially from the Japanese. He advocates a three-pronged program to help American high-technology firms compete better in world trade. One step would be an industrial extension service to ensure that advances spread quickly throughout the economy. Simply developing new techniques is not enough. The Government should help disseminate those concepts to companies large and small, just as agricultural breakthroughs were diffused earlier. Zysman supports the idea of more basic research by Government to help smaller firms that cannot do it themselves. Finally, he argues that the U.S. should adopt a firmer trade policy so that its products can get into closed foreign markets, especially Japan. Too often, in fields like telecommunications and electronics, the Japanese make it difficult for foreign companies to sell their products.

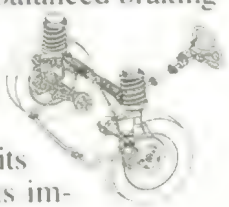
The use of advanced technologies in the U.S. has been retarded, Zysman contends, because makers of automated equipment initially were encouraged by the Government to sell their products to the defense and aerospace markets, instead of to other companies in many industries. These technologies should be applied to the making of automobiles, pens, washing machines and other consumer goods. It is precisely in these areas that foreign competition is stiffest.

Several members of the TIME board disagreed with Zysman's approach, which seemed to them to be heading toward a national industrial policy. Alan Greenspan said it would lead inevitably to establishment of a Government board that would be making investment decisions more properly left to the market. Said he: "Those kinds of boards have 20-20 hindsight and extraordinarily inept foresight. Putting investment incentives in technologically advanced products is fine, but what are they? Who knows?" Zysman nonetheless believes that companies competing on the frontiers of high technology will need considerable help as they battle the Japanese and other foreign competitors. —*By John S. DeMott*

A car is only as good as its driver.

Not because the 4000S is the product of over seven decades of Audi engineering.

Not because its dual diagonal braking system ensures balanced braking (even in emergencies).



Or because its refined suspension system offers outstanding directional control. Or even because its new European headlights improve visibility.

By the same token, the 4000S will not enhance driving prowess because it darts from 0 to 50 in 6.9 seconds. Or because of its highly responsive power-assisted rack-and-pinion steering.

The same is true for the precisely honed front-wheel drive. The orthopedically designed seats that keep you comfortable and alert even on long drives. And the ergonomic

The new Audi 4000S makes you a better one.

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These features, individually, will not make you more proficient behind the wheel.

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The 4000S is protected by a 2-year unlimited mileage, limited warranty. And a 6-year limited warranty against rust perforation. Your dealer has complete information on these warranties. For the one nearest you call 1-(800) FOR-AUDI. Mfr's suggested retail price for the Audi 4000S is $13,950. Title, taxes, transp., registration, dealer delivery charges additional.

There's an art to making a better car and a better driver. At Audi we call it the art of engineering.

Audi

The art of engineering.

Who Needs 'Em?

Reagan rebuffs his economists

"As far as I'm concerned, you can throw it away."

Treasury Secretary Donald Regan made that stunningly blunt remark last February in an effort to disown the 330-page annual report issued by the President's Council of Economic Advisers. The study had warned about the danger posed by the Administration's huge budget deficits. The White House last week went a giant step further, revealing that it may want to discard not only the council's embarrassing statements but the panel itself. The disclosure marks a historic nadir in the influence of the CEA, which was established by Congress in 1946 to be the President's closest source of economic advice. The Administration points out that eliminating the CEA and its 33-member staff would save the Government $2.6 million a year. But most observers think the White House's real objective is to reduce dissent in economic policymaking.

The Administration's attempts to get everyone into lockstep also extend to the Federal Reserve Board. Regan last week blamed Chairman Paul Volcker's tight-money policy for slower economic growth. Though retail sales appear strong, Regan lashed out at the Fed for preventing a year-end shopping boom. "This is not a great Christmas," contended Regan, "and the reason is that people just aren't spending because the credit terms are so high." Regan said that a study was under way about how to get the independent Fed under some form of Administration control.

Many economists harshly criticized the notion of disbanding the CEA. They maintain that among the Government's thousands of economists, the three members of the CEA are the only ones far enough removed from departmental infighting to advise the President objectively. Raymond Saulnier, chairman of the CEA under President Eisenhower, last week sent Reagan a telegram supporting the council. Says he: "I don't know what the Administration is trying to do. I can hardly believe it." But others were less concerned. Said Barry Bosworth, a senior fellow at the Brookings Institution, who once served on the CEA staff: "Almost every Cabinet office now has economists doing the same sort of analysis as the CEA."

The power of the council has varied from President to President and chairman to chairman. The CEA's influence reached its height under Walter Heller, who advised Kennedy and Johnson and devised the very successful tax cut of 1964. Gardner Ackley, Heller's successor, recalls meeting with Johnson as often as three times a day. On occasion they talked economics while rambling around in a Jeep on L.B.J.'s ranch.

WARD—BLACK STAR

Departing Advisers Poole, left, and Niskanen

The CEA now has little White House clout.

In the Reagan Administration, though, the CEA has had little clout. The first chairman was Murray Weidenbaum of Washington University in St. Louis, who resigned after 18 months on the job because he had only minimal influence on policy. He was succeeded by Harvard's Martin Feldstein, the CEA chairman from October 1982 until last July. Unlike such previous advisers as Arthur Burns and Alan Greenspan, who sometimes disagreed with official policy behind closed doors in the Eisenhower and Ford Administrations, Feldstein broke ranks in public, calling for a tax increase and warning that the federal deficit could throttle the recovery. Months before Feldstein resigned his post "the CEA was frozen out by the rest of the White House," says a senior Treasury official. The CEA has languished without a chairman ever since. The two remaining council members, William Niskanen and William Poole, intend to leave by the end of January.

The Administration would need congressional approval to disband the panel, but the President could weaken the council further by failing to appoint replacements. Said Reagan in an interview published in *Human Events*, a conservative weekly: "I'm considering whether or not I even want to fill [the chairmanship]." From a public relations standpoint, while abolishing the CEA would make economic decisions appear smoother, it might create the impression that the Administration is trying to get rid of anyone who does not agree with it. Particularly if the economy runs into trouble in the next four years, the President will need plenty of help to share the work, and perhaps the blame. —*By Stephen Koepp. Reported by Rosemary Byrnes/New York and Christopher Redman/Washington*

Troubled Giant

Looking for some conspirators

Just who is saying all those unkind things about ITT? The $14.2 billion conglomerate wants desperately to know what schemers are staging a campaign to sell the company, or break it up. No one would have listened to such talk during the telecommunications firm's glory days in the 1960s and 1970s. But now, beset by stagnating profits, ITT's management is trying to stamp out those ideas before they become self-fulfilling.

What particularly rattles Chairman Rand Araskog, 53, is that the plotters could be getting help from some of his own colleagues. Last week Edward Gerrity Jr., ITT's public relations chief since 1961, admitted that the company had suspended him after accusing him of feeding bad news to the financial press. Sources at the Securities and Exchange Commission, meanwhile, confirmed that the agency is investigating whether someone outside the company is breeding rumors about ITT in order to make an illicit stock profit.

Under Empire Builder Harold Geneen, ITT devoured 275 companies and went from annual sales of $765 million in 1959 to $17 billion in 1979. But since Geneen's departure, the company's performance has slowed from go-go to no-go. Araskog has tried to revive ITT by shedding more than 60 subsidiaries, worth about $1.5 billion, but the company remains dangerously short of cash.

A group of stockholders finally lost patience last July, when ITT slashed its quarterly dividend 64%, to 25¢. The dissidents started a letter-writing campaign urging ITT's management to take a highly drastic measure—liquidation—which they figured could net them twice the current value of their shares.

ITT officials are probing whether someone in the company helped the unrest by supplying names of unhappy stockholders to other dissidents. Gerrity, for one, has privately criticized Araskog's leadership. But the publicist, who suffered a heart attack on the day of the dividend cut, denies his involvement. Says he: "If I was orchestrating this, I must have been doing it from my hospital bed."

Araskog hopes to strengthen ITT by raising more cash. Last week the company agreed to sell parts of its Eason Oil subsidiary for $240 million. But Araskog's time is running short. Two weeks ago, Minneapolis Investor Irwin Jacobs snapped up more than 3 million of ITT's 139 million outstanding shares. No one knows whether Jacobs has a power grab in mind, but his usual prescription for laggard companies like ITT is clearly spelled out in his nickname: "Irv the Liquidator." ■

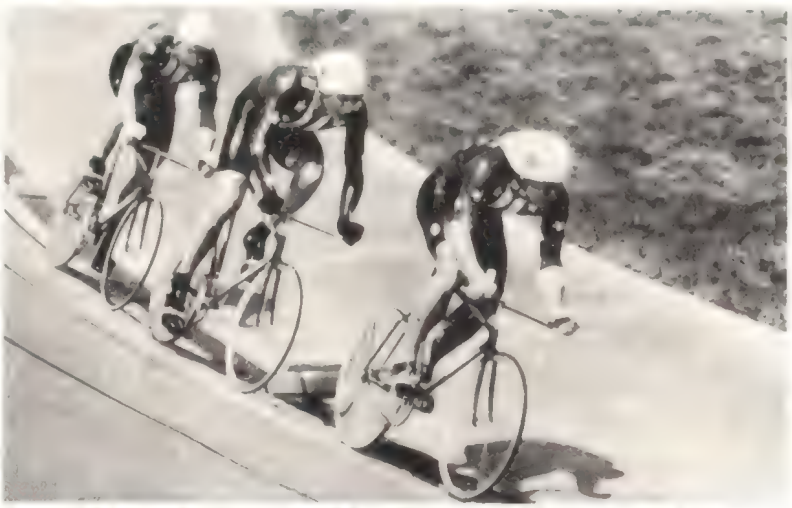
Breaking Away

Huffy bikes on a roll

When U.S. Gold Medalists Steve Hegg and Connie Carpenter-Phinney pedaled to victory in last summer's Olympics, Huffy bicycles were a big winner too. The largest U.S. bikemaker, Huffy had invested two years and more than $600,000 to design and build the special cycles that Hegg and Carpenter-Phinney rode. Now Huffy is using its Olympic achievement to pump up Christmas sales. "I don't think anyone envisioned our success from the Olympics," says Huffy President Harry Shaw III. "A year ago, people thought we were crazy."

Founded as a sewing-machine company in 1887, Huffy has been aggressively expanding beyond its traditional line of children's bikes. The company took its boldest step in 1982, when it bought the U.S. manufacturing and marketing rights to Britain's Raleigh cycles. The popular Raleighs, equipped with up to 18 speeds, are designed for adults and typically sell for about $220, *vs.* $90 for standard Huffy models. Gaining access to the fashionable British bikes was vital to Huffy. While Raleigh and other high-priced brands represent just 25% of the U.S. market, they account for 40% of the total value of the bikes Americans buy.

The Olympic publicity came at a time of renewed fascination with bicycles. Health-conscious Americans, especially joggers whose knees can no longer take the pounding of running, have been turning to bikes for exercise and fresh air. As a result, U.S. bicycle sales rebounded to 9 million units in 1983, and should reach 9.7 million this year.



Gold Medalist Steve Hegg led a pack of U.S. cyclists in a race at the Los Angeles Games

Huffy's aerodynamically designed Olympic cycles, which carried the Raleigh name, were dubbed "Funny Bikes" because of their small front wheels, large, solid back ones made of plastic, and boomerang-shaped handle bars. "They were the first attempt at a radical departure in bicycle design," says Huffy's Michael Melton, technical director of the U.S. cycling team, who developed them. In Los Angeles, the Funny Bikes' riders pedaled to five medals.

Some children may find a Funny Bike under the Christmas tree next week. Huffy has introduced a new model, the Olympian, a red, white and blue bicycle that looks like the Olympic model and sells for about $150. The company rushed the first 6,500 Olympians to retailers in time for the holiday season.

The victories at the Los Angeles Games were just one link in the chain of successes that Huffy has been forging. Since it lost $2 million two years ago, the Miamisburg, Ohio, company has been on a roll. Last year it earned $8.8 million on sales of $272 million. The firm kept its momentum going by earning $1.21 million in the first quarter of fiscal 1985, up from $1.16 million during the same period a year ago.

The bad news for American firms, though, is that all the 1984 growth comes from imports, especially from Taiwan. While U.S. bikemakers expect to sell 6 million cycles this year, down from 6.3 million a year ago, imports will jump from 2.7 million in 1983 to 3.7 million in 1984. Foreign-made brands now account for nearly 40% of U.S. bike sales.

Huffy has launched a variety of counterattacks against the foreign onslaught. On one hand, the company and other U.S. bikemakers are seeking Government protection from imports and an end to what they call the illegal sales of Taiwanese bicycles at artificially low prices. On the other, Huffy is producing its Raleigh line in Taiwan. Said Company Vice President Barry Ryan: "We fought imports from Day 1, and we'll continue to fight. We're psyched to the point where we can beat them, and that's what you need to win." It also helps to have some Olympic gold-medal promotion. —*By John Greenwald. Reported by Elizabeth Taylor/Miamisburg*

Father to Son

Hitachi's Welsh plan

Father: Son, how'd you like to be a real Welshman and take over my job?

Son: Huh? I'm only 16.

Father: For once, pay attention. Things haven't been going well down at the factory. Hitachi was the last big Japanese company to start making tellys in Britain. It got here after Sony, Matsushita and Toshiba. The factory at Hirwaun makes 300,000 sets a year, but Hitachi is losing money on it.

Son: So, what's that got to do with me?

Father: Listen, you. Hitachi modernized the factory, but the upshot of it was that 500 of the 1,300 of us were sacked.

Son: Yeah, I knew that.

Father: So then the bosses had to decide who would be let go. The company and the union finally chose people with the least seniority. That meant young 'uns, really, between 16 and 18.

Son: So you're O.K. You're 39.

Father: There's more. Hitachi found out that the average age of the remaining workers was just under 40. They got to worrying about that.

Son: Why?

Father: The age of the factory's work force is very important to the Japanese bosses. For them, the younger the better. They say that at Toshiba in Plymouth, the average age is only 24. Hitachi sent out a letter explaining why it wants a lower age. I have it right here. It says: "We can all accept that as we get older we become more susceptible to sickness, our reflexes become slower, our eyesight less keen and our attitudes difficult to change."

Son: Gee, Dad, you seem O.K. to me.

Father: So they came up with the idea of paying me and a bunch of the other lads severance to make way for younger workers. Mine amounts to $2,160, which isn't a lot. But to make it easier, they say I can give my job to a son or daughter who is at least 16. Now, since I don't have a daughter . . .

Son: So I'm it. How much does it pay?

Father: Only $66 a week to start. But you'll get a raise when you turn 18.

Son: Who thought up this one?

Father: Don't know. It looks like it was worked out here, between the factory managers and the union. The plan surprised the Hitachi people over in Japan.

Son: How many are taking them up on it?

Father: Besides me and you? Well, only about 20 so far. The newspapers don't like it. Look at this in the *Daily Mail:* YOU'RE TOO OLD AT 35. THE WELSH HAVE A WORD FOR IT—BUT IT'S NOT FIT TO PRINT. I saw this headline in the *Times:* "OVER HILL" AT 35 OFFER CAUSES FURY.

Son: Dad, do I have a choice?

Father: No. We need you to keep us in shoe leather. Off you go down to the factory. I'm for a pint at the pub. ■

Business Notes

BANKRUPTCY

Creusot-Loire Goes Under

BRUCELLE—SYGMA

Unions march to save the firm

The Paris commercial court last week ordered the liquidation of Creusot-Loire, France's largest privately owned engineering conglomerate. The group's companies, which had amassed losses of more than $220 million in the past two years, had run up debts of more than $633 million. The failure was the biggest industrial bankruptcy in French history.

Creusot-Loire was created in 1970 by the merger of three steel and engineering groups. In 1980 Harvard-educated Didier Pineau-Valencienne took over as chairman and sought to streamline the company's operations. To no avail. In 1983 the group racked up record losses of $200 million.

After two reorganization plans failed to revive the firm's sagging fortunes, Pineau-Valencienne in March demanded a new $277 million aid package from the government of Socialist President François Mitterrand. Talks over a new salvage operation got nowhere. The Ministry of Industry accused Pineau-Valencienne of refusing to accept a "reasonable" blueprint, while the Creusot-Loire chairman charged that the government was trying to seize control of the company.

HOUSING

An Old Master Builds Again

The American dream of owning a home has been taking quite a beating lately, with the price of a new house averaging $100,100. But residents of Florida can dream again, thanks to William J. Levitt, 77. Known as the father of American suburbia for his Levittowns, the master builder constructed huge complexes of inexpensive housing after World War II on the edges of major American cities. Now Levitt is back with a grand new project—a $2 billion community that will go up on the outskirts of Orlando and be called Villa Poinciana. Its 26,000 homes will be priced from $39,900 to $59,900.

Levitt's secret, now as in the past, is the size of the developments. Says he: "We can offer homes at a fraction of the general market price. That's only possible when you have a large tract of land on which you can preplan, presell and run an assembly line, which is what we do."

Florida officials, though, are worried about the impact of Levitt's new town. They say that such a massive project would overwhelm water, sewer and other local services. But the master builder is undeterred. Says he: "Bear in mind that we're veterans in this business."

BANKING

Setting a Dubious Record

American financial institutions will remember 1984 not as the year of Big Brother but as the year of living dangerously. Last week the Federal Deposit Insurance Corporation closed down the insolvent University Bank of Wichita, bringing to 76 the number of insured banks that have folded this year. That is the largest crop of bank failures since the Depression year of 1938 but far short of the 4,000 bank collapses in 1933, when Congress set up the FDIC to restore confidence in the financial system.

While FDIC officials were shuttering the failed Kansas bank, regulators from the Federal Savings and Loan Insurance Corporation, the thrift-industry counterpart to the FDIC, were in California to liquidate the San Marino Savings and Loan Association, whose failure the previous week threatened to cost the FSLIC $193 million, a record loss. So far this year, nine S and Ls have failed, and an additional 17 have been merged with stronger competitors. FDIC Chairman William M. Isaac, who has told the White House that he would like to leave office early next year, warns that if interest rates head back up and the economy weakens, next year could be just as bad.

AIRLINES

Transatlantic Twins

When Charles Lindbergh made the first solo flight from New York to Paris in 1927, his *Spirit of St. Louis* plane had only one engine. But since 1939 all passenger aircraft crossing the Atlantic have been equipped with at least three. That is about to change. TWA announced last week that starting in April, it will fly from St. Louis to Paris and Frankfurt in twin-engine Boeing 767s. The airline will be the first to take advantage of a proposed change in Federal Aviation Administration rules permitting twin-engine commercial planes to make the crossing.

These planes have established an exceptional safety record during the past two decades. Since two engines have never failed independently on a modern airliner, industry experts now consider the twins safe for the long Atlantic crossing. The 767s, which are both smaller and lighter than the 747s and other aircraft they will replace on these routes, consume less fuel and require only two pilots instead of three. Thus they are about half as expensive to operate. TWA says, however, that tickets on two-engine flights across the Atlantic will cost the same as those on three-engine ones.

The 767 will fly further for less

ENTREPRENEURS

Selling a Piece of the Rock

Some producers give their audiences thrills and chills, but Donny Osmond, 27, wants also to give his some dividends. Osmond, one of the six singing Osmond brothers and once half of the Donny and Marie pop singing duo that hosted its own TV show, is selling shares in the Donny Osmond Entertainment Corp. (DOEC). The company will have the rights to three years' worth of *Donny and Marie* reruns and will produce movies, television and theatrical events. Donny pledges to spend 60% of his time on company business. Like Sinatra, Osmond will be known as the Chairman of the Board. In addition, he will hold the title of vice president of creative control. Interested fans can be known as the stockholders.

Chairman Donny Osmond

The Osmond family has always had a good sense for business. In 1977 Donny, Marie and five of their brothers built a state-of-the-art recording and television production complex in Orem, Utah. The family sold it two years ago.

DOEC offered up to 1.4 million shares at $5 apiece. The initial sale began four weeks ago and should end this week. Early word is that the shares are selling as briskly as concert tickets for that other Chairman of the Board.

Your Gift Will Shine Brightest of All

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People

Murphy: about face

Actors have been known for a change of pace or a change of face, but **Eddie Murphy,** 23, is one of the few to try a change of race. Appearing as host on his old show, *Saturday Night Live*, last week, the chameleonic comedian went caucasian in a four-minute film. For viewers who missed it, *SNL* Executive Producer Dick Ebersol explains, "He gets on a city bus, and there's one black man on it. The instant the black man gets off and it's just white people, they pull out music and cards and have parties." Murphy also performed in a sketch called "Milestones," depicting South African Bishop Desmond Tutu and Heisman Trophy Winner Doug Flutie. Presumably, Murphy always wanted to play the bishop, but then again . . .

■

"They are 17 of the best dancers in the world." So says **Sir Richard Attenborough,** 61, appraising his cast for the film version of *A Chorus Line*, currently filming—where else?—on Broadway. The director does not make the claim lightly. He interviewed 3,000 applicants before choosing the final lineup. But then, Sir Dickie is accustomed to being patient. He has wanted to do another musical ever since 1969, when he mixed song and satire in his first film, *Oh! What a Lovely War*, but got sidetracked by the making of *Gandhi*. Looking back, Attenborough claims that filming the epic of the Mahatma was simplicity itself compared with telling the backstage story of Broadway gypsies. "If you're controlling a crowd of 250,000, it's logistics to a large degree," he observes. "You have the ambience of the plains of India and the slums of Delhi working for you. Here you have no change. You're in the theater."

■

As he trotted the final 200 yds. along an elevated bridge to Canton's ultramodern White Swan Hotel, the slight, blond runner was greeted by Guangdong province sports officials and svelte Chinese maidens in green cheongsams. But for Georgia's **Stan Cottrell,** 41, the greatest reward last week was simply finishing the 2,125-mile Great Friendship Run he had begun 53 days earlier from the Great Wall of China, northwest of Peking. "I call this a miracle run," said Cottrell, who held U.S. and Chinese flags as he was presented with a brown cloisonné trophy. "It's a miracle that I'm in China and a miracle that I'm here today." Exhausted but undaunted, Cottrell is already considering an equally fantastic feat: a 30-day run across the Soviet Union.

Miracle miles: Cottrell at the finish of his Great Friendship Run

■

When Los Angeles Rams Running Back **Eric Dickerson,** 24, broke the National Football League record for yards gained by a rookie last year, he celebrated by buying his offensive linemen Rolex watches. After breaking **O.J. Simpson's** single-season rushing record of 2,003 yds. last week, even before the final game, Dickerson may have to buy them Porsches. The breakthrough run came as the Rams took on the Houston Oilers at Anaheim Stadium. With 3:22 left in the game, Dickerson slipped around the right end for a 9-yd. gain that gave him a season total of 2,007 yds. "Something said I was going to get 2,000 and get it easy," recalls Dickerson. "I could say it's God, but I won't." The voice could have been an echo of O.J., 37, who set the old record in 1973 while playing for the Buffalo Bills.

—By Guy D. Garcia

Attenborough and cast members of *Chorus Line* on the Great White Way

Dickerson: free Porsches?

On the Record

Kathryn Sullivan, 33, the first American woman to walk in space, on the relative risks of rocket flight and driving in Texas: "Driving on the Houston freeway is more dangerous. I'll take my chances on the launch pad any day."

John Ashbery, 57, Pulitzer-prizewinning poet: "Very often people don't listen to you when you speak to them. It's only when you talk to yourself that they prick up their ears."

Video

COVER STORIES

VCRs: Coming On Strong

Santa's hottest gift is a magic box that revolutionizes home viewing

Plop . . . click . . . whirr. Plop . . . click . . . whirr. It is not exactly lilting, but that electronic tune is rivaling *Silent Night* and *Jingle Bells* for popularity this Christmas season. It is the sound of videocassette recorders gathering tapes into their cradles and, with a twinkling of lights and the push of buttons, bringing forth a host of intriguing new images on millions of TV screens. The machines, universally known as VCRs, are selling at nearly double the rate of a year ago; with the holiday boost, December sales alone are expected to reach 1 million, a single-month record. At New York City's Crazy Eddie electronics stores, which will do more than $90 million in video-equipment business this year, cartons of VCRs are stacked 16 boxes high in the middle of the selling floor. Exults Owner Eddie Antar: "They're going like Cabbage Patch dolls."

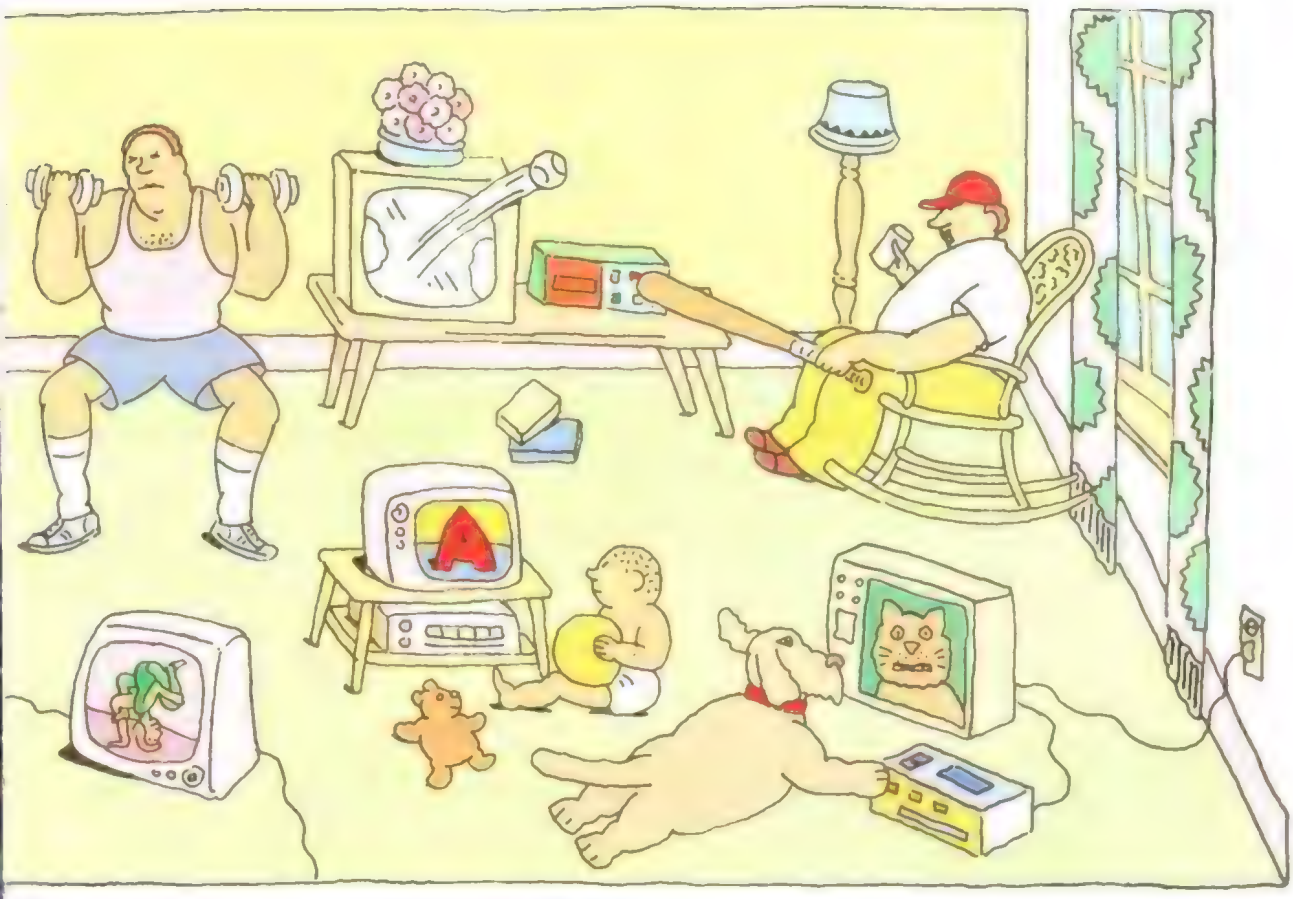
Plop . . . click . . . whirr. The sound is more than just music to retailers' ears. In its quiet, hypnotic way, it is changing the habits of a nation. The versatile VCR can rerun yesterday's shows today and preserve today's for tomorrow. It can deliver movies old and new, the sights and sounds of Duran Duran in concert, a course in auto repair or a daily exercise regimen. With the help of a video camera, it can capture special family moments for an instant home movie or create a "video postcard" for far-off relatives. The VCR's contagious tune is, in short, the anthem of an entertainment revolution.

Plop . . . Paul Price's household in Lake Forest, Ill., has found its three VCR machines quite useful. When Price, a financial manager for Quaker Oats, goes abroad on a business trip, he has the family tape sports events and episodes of *Hill Street Blues* so he can watch them after he returns. When he wants to take his wife and six children to a movie, chances are he will pass up the local fourplex (and the $40 tab) and rent a cassette instead.

Click . . . Daniel Lee, a paraplegic Army veteran who lives in Washington, D.C., has amassed a collection of more than 600 films on videocassette since buying his first VCR back in 1978. "I haven't been out to the theaters in years," he says. "The VCR has given me more independence."

Whirr . . . Cary Grant's wife Barbara often flicks on the VCR when one of her husband's movies plays on the late show;

Illustrations for TIME by Seymour Chwast



she is trying to collect all his films on tape. Rock Singer Rod Stewart uses his VCR to watch old Marx Brothers movies and Scottish soccer matches that his father tapes and sends from back home.

. . . and *zap*. Jo Newton, a Houston secretary, almost gave up on network TV because of the commercials. "With the VCR," she says, "I just push that old scan button and zip right by them."

Not since the advent of the television set has any home electronics device begun to make such a profound impact on the way Americans spend their leisure-time hours. By the end of the year, the VCR population in the U.S. will reach nearly 17 million, one for every five homes with a TV set. The average VCR owner is still better educated and better off financially than most Americans. But like color TV sets of 20 years ago, home-video recorders are rapidly evolving from a high-ticket luxury item into a common household appliance. VCR enthusiasts include hard-core videophiles as well as people who never quite got the hang of the horizontal holds on their old black-and-white portables. Says Seth Goldstein, managing editor of the industry newsletter *Video Week:* "It's reached the breakthrough point, where everybody has one, or would like to have one, or talks about having one."

VCR devotees are savoring a new sense of control over their TV viewing. Network schedules be damned! goes the rallying cry. now we can watch what we want, when we want. For fans of *Dynasty* who have a Wednesday-night PTA meeting, this can be a godsend. But the VCR is also opening up a new world of program options. More than 14,000 prerecorded cassettes are currently on the market, ranging from movies (an estimated 7,000 of them X-rated), rock music and children's programming to a plethora of how-to cassettes and other made-for-home products. In addition, about 32,000 business, educational and other tapes are available through specialized distributors.

Cassettes are filling the shelves of thousands of video specialty shops across the country, along with a growing number of supermarkets, hardware stores and other mass-market outlets. Neighborhood video shops, some visionaries predict, will one day be as plentiful as bookstores, and the cassette will be an effective adjunct to the book as a tool for learning. To Media Consultant and Author Tony Schwartz, the VCR is simply "the most important development in telecommunications since the printing press."

The current holiday rush is capping a phenomenal year for the burgeoning home-video industry. In 1983 a record 4.1 million VCRs were sold in the U.S.; this year's sales will almost certainly top 7 million. (That other high-tech wonder for the home, the personal computer, is expected to reach sales of about 5.5 million.) An estimated 20 million prerecorded cassettes will be sold in 1984, better than double the number of a year ago. Right now, discount prices and special gift packages abound. Among the video stocking stuffers: a compilation of Christmas scenes from classic Disney movies like *Peter Pan* and *Bambi;* a how-to tape on Chinese cooking that comes complete with a wok; and a gift package featuring the macho movie *Southern Comfort* and two 14-oz. aluminum mugs for swigging the stuff while you watch.

The VCR has proved to be the most robust survivor of an array of video delivery systems that emerged in the 1970s, all competing to give Americans a broader selection of programming than that offered by broadcast TV. Cable, the most touted technology of the era, promised dozens of specialized channels that would satisfy virtually every individual need or taste. But the promise dimmed as the financial realities of such eclectic programming sank in: viewers and advertisers, so far at least, have not been able to support more than a handful of cable networks, many offering mass-audience fare little different from the Big Three networks'.

After three years of tepid sales, RCA

in April scuttled its videodisk player, a phonograph-like device for playing prerecorded movies and other programs (an array of software remains available for the estimated 500,000 machines that have been sold). Another, more expensive videodisk system, using laser technology, is still being produced by Pioneer but is finding its primary niche in educational and institutional uses. Another technology that once looked promising, direct satellite-to-home broadcasting (DBS), which would beam programming into homes equipped with rooftop dish-shaped antennas, appears to be years away from widespread use. Such major companies as CBS, RCA and Comsat have abandoned or scaled back earlier plans to enter the field.

In the midst of all this, the VCR seems to be the right product at the right time. An early signal that 1984 would be a breakthrough year came last January, when the U.S. Supreme Court, after years of litigation, ruled that home taping of broadcast programming is not a violation of copyright laws. That decision gave the all-clear to a legion of home videotapers, who were already recording everything from old *Star Trek* episodes to network mini-series.

But the biggest impetus for the current home-video boom has been falling prices. When Sony first introduced its Betamax home recorder into the U.S. in 1975, the machine was sold in combination with a TV set for $2,200, and a blank videotape cost at least $20. Prices have dropped steadily since then. Some VCRs today can be found discounted to less than $300, and blank tapes sell for as little as $5 or $6. Although the prices of prerecorded cassettes remain relatively high—around $80 for most recent Hollywood films—a booming rental business has materialized, with movies and other tapes going for as little as $1 a night.

Anyone who doubts that a home-video revolution is in the making need only consider the case of Steve Lincoln, 33, an electronics retailer who lives in Bellmore, N.Y. Scattered throughout his three-bedroom home are eight VCRs, four video cameras, a projection-screen TV and ten TV sets, including one in the backyard hot tub. All this video gadgetry can be regulated at the touch of a button from nine remote-control boxes in the living room. Also stashed away in the house is a library of 1,000 videocassettes, all of them carefully cataloged on Lincoln's home computer. "I was always involved with gadgets," he explains. "I was always the nut on the block."

Not even the Lincolns' 19-month-old daughter April is exempt from the video onslaught. A video camera constantly trained on her crib enables her to be monitored from anywhere in the house. If she starts crying, her father can simply press a button to plunk a soothing cassette of *Sesame Street* on the VCR in her room. And if she responds with some too-cute-to-miss cooing, says Lincoln, "I hit the button from the master bedroom, and we get whatever she's doing on tape."

Lincoln is a video extremist. Most VCR owners are satisfied with simpler pleasures: mastering the sometimes tricky technical maneuvers that enable one to record a show off the air for later viewing. Such "time shifting," according to a survey of VCR usage completed last spring by the A.C. Nielsen Co., is the VCR's most popular function. When asked why they purchased their machines, 77.1% of VCR owners ranked the record and playback ability as "very important" (only 27.1% gave the same importance to renting prerecorded movies). The average user, Nielsen found, spends 6.9 hours a week recording and playing back programs taped off the air.

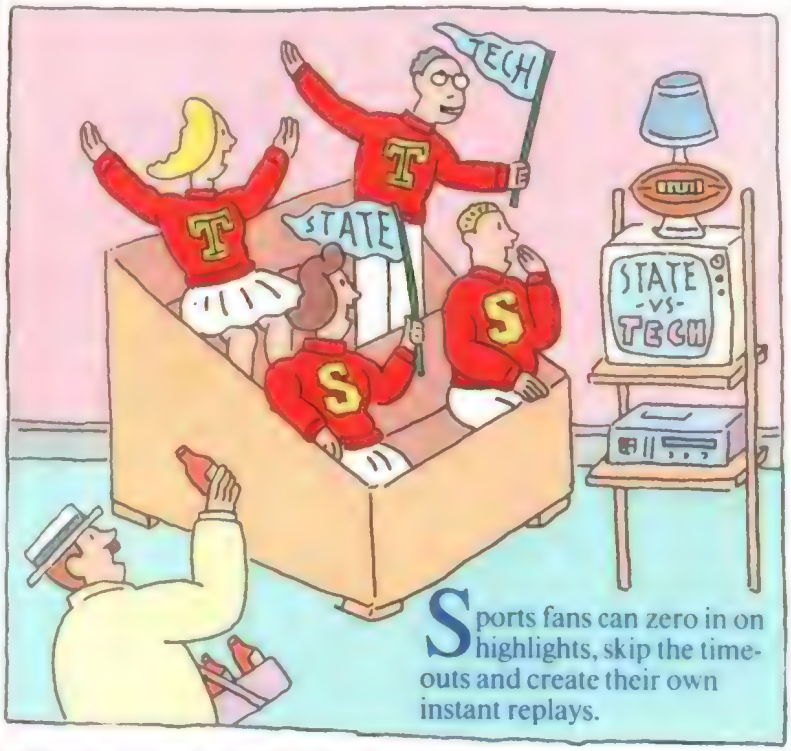
What kind of programs? Soap operas, with their fervently loyal audiences and five-days-a-week schedule, are by far the most frequently taped shows, Nielsen found, accounting for 27.2% of total recording time. Movies come next (17.1%), followed by dramatic shows (14.5%) and comedy (8.9%). Network programs account for nearly three-fourths of all recordings. The most frequently taped prime-time shows: *Hill Street Blues, Dallas, Dynasty* and *Cheers*.

"I think the VCR has saved more marriages than Masters and Johnson," says Richard Specter, an Irvine, Calif., businessman who has been a VCR owner since 1979. "You can watch what your wife wants and tape what you want and watch it later." The Specters have found their VCR especially useful since the arrival of a baby daughter 21 months ago. Says he: "There's never anything good on television when she wakes up at 3 a.m., so we tape stuff that looks good and have it to watch in the middle of the night when the kid is up."

Maureen Butler, a New York City secretary who keeps two VCR machines in her one-bedroom Brooklyn apartment, tapes the daytime soaps while she is at work or on vacation. Last April she took a one-week trip, then spent the first two days after her return watching 16 hours of accumulated tapes. Not all VCR owners, however, are so assiduous about watching the shows they tape. Nielsen found that 20% of all recorded programs are never played back at all, and many owners are discovering that unwatched cassettes can easily pile up on the shelves like unread books.

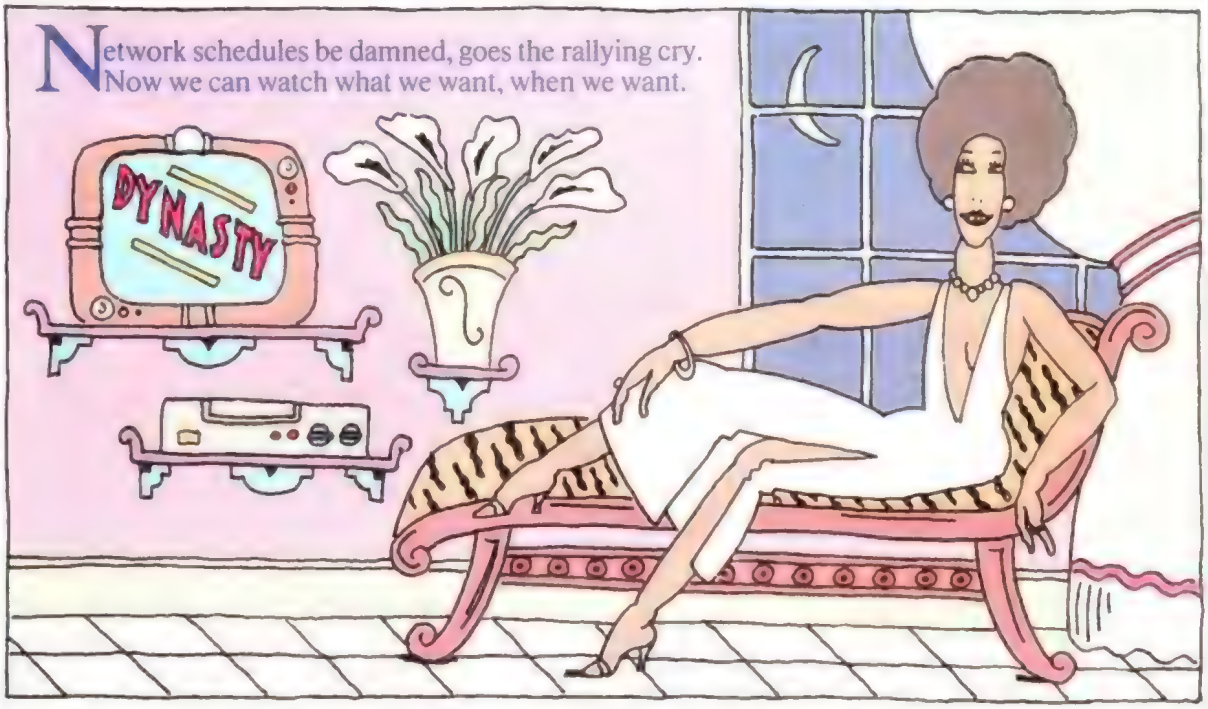
For those who do get around to watching their tapes, the VCR offers more than just convenience; it also enables the viewer to skip over the commercials. In the Nielsen study, nearly 60% of all VCR users said they "frequently" or "usually" fast-forward through the ads on shows they have taped. Such commercial zapping may strike fear into the hearts of network and Madison Avenue executives *(see following story)*, but for many VCR users, it is sweet revenge for years of boring or irksome commercials.

The fast-scan button can eliminate more than just commercials. For Specter, the California businessman, it has made watching sports a breeze. When he tapes N.B.A. basketball games, for example, he usually fast-scans through the first three



Sports fans can zero in on highlights, skip the time-outs and create their own instant replays.

Network schedules be damned, goes the rallying cry. Now we can watch what we want, when we want.



quarters and watches only the exciting, down-to-the-wire fourth. "It works for hockey too," he says. "It takes 2½ hours to play a hockey game, but you can put it in superspeed and just watch until you see all the sticks in the air and then go back and watch the goal. I can see an entire hockey game in ten to twelve minutes." Less impatient sports fans can savor the game by creating their own instant replays or isolating the key moments with a freeze frame.

The VCR has given rise to a dedicated, sometimes fanatical new tribe of collectors. Episodes of a favorite TV series, classic movies, big sports events or simply stray moments of video ephemera that would otherwise be lost forever—all can now be recorded and stockpiled in a home library. Rabbi Isaac N. Trainin of New York City has a collection of nearly 1,200 movies and other shows he has taped off the air. "I would have to live another 200 to 300 years to see them all," he admits. Bill King, a reporter for the Atlanta *Constitution*, has recorded and saved more than 200 episodes of *The Andy Griffith Show*. Jack Valentine's prize collection consists of 24 televised death scenes, including sports accidents, stock-car crashes and the fatal fall of Aerialist Karl Wallenda. "It's not something I sit around and watch," says the San Diego businessman. "But it's something to have on tape."

Imaginative videophiles are finding many other uses for the VCR and its increasingly popular accessory, the video camera. The newest vogue in some households is video postcards: homemade videotapes of birthdays, weddings and other family events, which can be mailed to far-flung relatives (the ones, at least, who have VCRs). A San Diego company called Video Moments will even do the taping for you: $90 for a Christmastime videogram, $250 for a video record of the baby's birth. Visitors to the Vatican can have their general audience with the Pope taped for the folks back home. And several colleges and high schools now produce video yearbooks to go with the traditional leather-bound volumes (only drawback: no place for classmates to inscribe those excruciating jokes and affectionate reminiscences).

Businesses are just beginning to explore uses for the new technology. Avon last year bought 20,000 VCRs for its saleswomen; each Avon lady gets a monthly cassette showing the company's new products and sales pitches. Many publicists now send a videocassette along with a press release to their contacts in the media. Memory Bank Inventory, a service based in Portland, will videotape a customer's household goods for insurance purposes. Cattlemen in the West can bid on herds in auctions after sizing them up via videotapes, and the Professional Rodeo Cowboys' Association uses cassettes of bronco riders to train rodeo judges.

Meanwhile, back at the ranch, more and more VCR owners are using their machines to create what used to be a luxury reserved for the Hollywood elite: a private screening room. Although most VCR owners say they bought their machines primarily to record shows off the air, an estimated 70% to 80% of them buy or rent prerecorded cassettes at least occasionally. Movies are by far the most popular items on the software market. More than 5,000 films have been released on videocassette, a number that is mounting almost daily as Hollywood studios scramble to make their inventories of old and new films available to the home market. Prices range from a top of $79.95 on most recent Hollywood films to a slashed-to-the-bone Christmas price of $24.95 on a number of Paramount hits, including *Raiders of the Lost Ark* (the bestselling videocassette of all time), *Flashdance* and *Trading Places*.

New movies typically reach the home market six to nine months after their theatrical premiere and usually well before they appear on cable or network TV. Current top sellers include *Romancing the Stone*, *Footloose* and *Purple Rain*, all box-office hits from last spring and summer. But a quick browse through the shelves of the neighborhood video store reveals something for practically every cult taste, from the silent classics of Sergei Eisenstein to low-budget horror items like *I Spit on Your Grave* (20,000 copies sold at $49.95 each). A few old film favorites are still unavailable on the home market, including such Disney evergreens as *Snow White*, *Fantasia* and *Pinocchio*. But the holdouts are dwindling; MGM has even announced plans to release *Gone With the Wind* on videocassette next March.

Hard-core pornography accounts for a hefty share of the cassette business. X-rated movies were among the first to be released for home video and once made up about half of all sales and rentals. That share has dropped to around 15% by most industry estimates. Still, many VCR owners who would not go near a downtown porno theater will sneak a peak at X-rated tapes in the discreet environs of their own homes. "Almost everyone with a VCR will take an adult title at least once," says Leslie Odonovich, a co-owner of Graffiti Video in Washington.

Many VCR enthusiasts find their liv-

Decisions, Decisions

Choosing a VCR can be a daunting venture. Currently, retail electronics shelves teem with some 40 different brand names affixed to about 150 models. Innovations seem to happen overnight, and a wide array of options is available, from remote-control devices to one-touch recording buttons. Prices start at a bargain-basement $240 for the older, simpler models and go as high as $1,500 for the newer, more elaborate ones.

The first decision for the bewildered consumer is whether to purchase a Beta (from Sony's Betamax) or VHS (from Video Home System) format machine. Both use half-inch tape, but they are incompatible: Beta programs cannot be played on VHS machines and vice versa. Sony markets only Beta machines; RCA, GE and Panasonic, among others, market only VHS. Sears sells both. Many videophiles insist that Beta produces a slightly sharper image, but most people cannot see any difference in technical quality. Although Beta was introduced first, VHS has been far more successfully marketed: three out of every four machines now sold are VHS. The major disadvantage of buying Beta is that video rental stores often stock smaller inventories of prerecorded Beta cassettes.

The next question is whether to buy a so-called cable-ready machine. Cable-ready, or cable-capable, as it is now called, describes VCRs that have electronic tuners capable of receiving more than 100 channels directly from a cable-TV system. Buying a cable-capable machine, however, does not mean that the VCR will automatically receive cable programs, only that it may not need an extra cable box or a complicated switching system once cable has been installed. Actually, this feature will eventually become a thing of the past. As more and more basic-cable operators scramble their signal to prevent video piracy, virtually all VCRs will require a decoding box. To clear up consumer confusion, the National Cable Television Association recommends that those contemplating the purchase of cable-capable equipment consult their local cable company.

Before buying a machine, consumers might do well to figure out whether they want a VCR primarily to record television programs or to play prerecorded movies. If the latter, a VCR with "multi-event programmability" is unnecessary. If the primary use is to be time shifting (recording a television program at one time for viewing at another), then multi-event programmability is desirable. The most advanced machines will record as many as eight programs over a 21-day period. RCA has a couple of models that will even program up to a year in advance. As a rule, the fewer the features, the lower the price.

Another option is a remote-control device. It generally allows a viewer, without leaving the La-Z-Boy, to stop and start the tape, pause, fast-scan in forward and reverse, or watch in "double speed," which is slower than fast-scan but faster than normal. Two types are available: those connected to the VCR by a long wire and the detached, infrared devices, which are less cumbersome and more expensive.

As of last year, high-fidelity stereo came to the VCR in the form of Beta hi-fi. The VHS version followed this year. Both are capable of extraordinary sound and their prices are accordingly high (list prices usually start at $1,000). Moreover, now that TV stations are beginning to broadcast programs in stereo, the machines can record in stereo as well.

VCRs come in nonportable tabletop models or portables. With the portables, the recorder can be detached from the tuner and carried on a shoulder strap. Together, the recorder and a small video camera enable the user to take "movies" at the Little League ball park, the beach or anywhere.

But if being an at-home auteur is one's fantasy, then the camera-*cum*-portable recorder cannot compare with the new generation of color video cameras containing built-in recorders. Dubbed camcorders, these new contraptions are lightweight (between 4 lbs. and 7 lbs.) and hand held. Once again, there are Beta and VHS versions. The VHS will record up to 20 minutes of video and sound on a single, tiny cassette. To watch the minimovie, the viewer can plug the camcorder directly into a television set or slip the miniature tape into an adapter that will play it back on a conventional VHS recorder. In contrast, the Beta version will record up to two hours on a standard Beta tape, but it cannot be used to play back the cassette. The chief advantage of the VHS camcorder, sold by Zenith and JVC, is that it comes equipped with an electronic view finder that is actually a tiny (one-inch-square) black-and-white TV mounted on the side of the camera. This setup allows the user to instantly review what has just been taped. It also has a fade control, so that amateur directors can end shots artistically by fading to black.

Last October, Eastman Kodak introduced still another format: an 8-mm video camcorder whose 30-, 60- or 90-minute videotapes are roughly the same size as a standard audio cassette. The 8-mm format is as light as other camcorders, is easy to use and can be attached to a tuner to record television programs. Kodak is clearly banking on acceptance of its format as a third home-video alternative.

Whatever VCR equipment the consumer buys, a final challenge must be faced before the machine is hooked up and ready for use: the instructions. Many VCR manuals read as if written in a difficult foreign language. Printed in Japan, where most of the VCRs sold in the U.S. are manufactured, and replete with technical jargon, these booklets often contain such impenetrable prose as the following: "Never connect the output of the [recorder] to an antenna or make simultaneous (parallel) antenna and [recorder] connections at the antenna terminals of your receiver."

Notes Jim Coleman, owner of New York City's Audio Salon: "Many customers think all they have to do is buy a VCR, take it home, and plug it in." In truth, several complicated steps may be involved in installing it and even more in figuring out how to program it. As a result, stores that sell VCRs sometimes receive as many as 20 calls a day from confused owners and many do a healthy business in house calls. But help is on the way. Sony is already marketing a VCR with a synthesized voice that guides the user through correct operating procedures. Akai includes an instruction videocassette with some of its models. The cassette fails to answer one key question: how customers will learn to install the VCR in order to play the instruction tape. —*By Richard Stengel. Reported by Peter Ainslie/New York*

ing rooms a more inviting place to watch films of all kinds. "We really like movies," says Melanie Amhowitz, a New York City secretary and French translator, "but we don't go as much as we used to. My husband can't stand waiting in lines." Her sentiment is echoed by Jeffrey Barton, a Houston bookkeeper: "When you go to the movies, you usually get stuck next to some loudmouth guy or behind someone with a hat. With a VCR, you get a great view, can stop the movie whenever you want to get a snack, and have a relaxed, enjoyable time of it."

As movie tapes have proliferated, so has an ingenuous—and occasionally disingenuous—form of home piracy. Although the Supreme Court ruled that home taping of broadcast material is legal, duplicating tapes that have been bought or rented remains a violation of copyright laws. Yet anyone with two VCRs and an equalizer (typically costing between $100 and $200) can easily turn one copy of *Raiders of the Lost Ark* or *Debbie Does Dallas* into two.

The practice is probably more widespread than industry sources acknowledge. One 16-year-old Chicagoan says his schoolmates frequently make copies of rented tapes and sell them to friends and their families. A Manhattan housewife admits that she and her husband made duplicates of more than 25 movies (including the three *Rocky* films and most of the James Bond movies), unaware that it was against the law. A Miami owner of two VCRs says that he and several friends regularly copy and exchange porno tapes. "We use my machines to make copies of the original," he says. "So for $5 you've got a film that would cost at least $60 at the store." Such duplicating may well be hurting the market for movie-heavy cable services like HBO and Showtime, though to what extent nobody knows.

Movies are hardly all that VCR owners can choose from these days. The inventory of prerecorded fare also includes ballets, operas and other cultural offerings; sports highlights of such events as the 1984 Summer Olympics and the classic 1975 World Series between the Boston Red Sox and Cincinnati Reds; and compilations of old TV shows, ranging from Sid Caesar and Imogene Coca in *Your Show of Shows* to *The Best of 60 Minutes*. Two categories of software are doing especially well: rock-music cassettes, featuring such groups as the Rolling Stones and Duran Duran, and children's tapes, including several brisk-selling collections of old Disney cartoons.

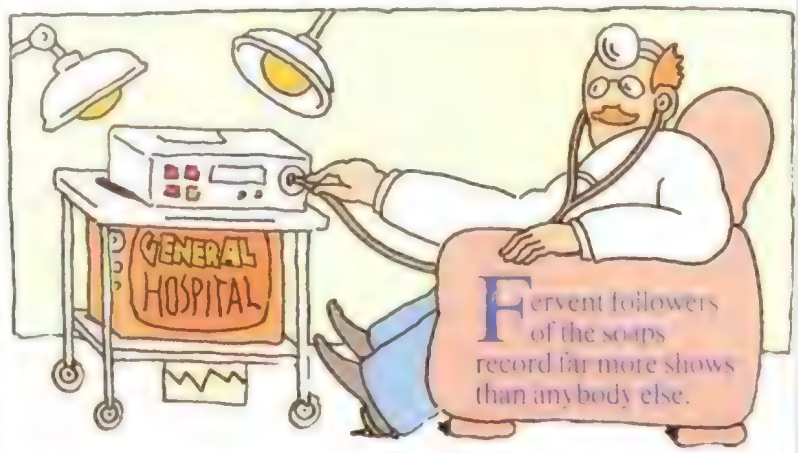
Added to these are growing numbers of made-for-home videocassettes. Most of them are how-to tapes, giving advice and instruction on such disparate activities as tennis, choosing a good wine, casino gambling, duck and goose hunting, making love and natural childbirth. Marvin Mitchelson, famed palimony attorney, has come out with a cassette called *Everything You Wanted to Know About Divorce (But Couldn't Afford to Ask)*. The *A-Team's* Mr T gives advice to children in *Mr. T's Be Somebody . . . or Be Somebody's Fool*. Among the more unusual offerings are *Max Maven's Mindgames*, in which a sinister-looking mentalist purports to read the viewer's mind, and *Treasure*, a mystery-game cassette that promises a $500,000 prize for the viewer who correctly deciphers a series of clues.

The size of the market for these made-for-home tapes is still a question mark. But home-video programmers seem to have discovered at least one lucrative genre: the exercise workout. The huge popularity of *Jane Fonda's Workout* (750,000 sold at $59.95 apiece) has spawned a lockerful of imitators: three more from Fonda herself and at least two dozen others, many featuring such celebrities as Debbie Reynolds, Marie Osmond, Arnold Schwarzenegger, Richard Simmons, Raquel Welch and Defensive End Lyle Alzado of the Los Angeles Raiders. There is a regimen for every taste and body shape. Fonda's workout is rigorous, spiced with "You're O.K." encouragement and set to a monotonous disco beat. Reynolds' *Do It Debbie's Way* is more laid back, lighthearted and set to big-band swing music, while *Playboy's Playmate Workout* is a thinly disguised soft-porn show whose "workout" session includes a scene of bare-bottomed Playmates frolicking in a backyard swimming pool.

Tapes like these are lining the shelves of more than 12,000 video specialty stores around the country. Their business is skyrocketing. A typical success story is Graffiti Video, located just off a fashionable stretch of Connecticut Avenue in Washington. A former record store, it began stocking cassettes in 1979. Then about two years ago, it stopped carrying records and switched entirely to video. "We made the change after we discovered that 20% of our floor space was doing 80% of the business," says Co-Owner Bary Maddox. "It was a pretty radical sign of the times." The change has paid off: business has tripled, much of it with foreign embassy officials who stock up before they leave the country.

Thousands of other entrepreneurs have made the same discovery, and franchisers have started to move in. National Video, with headquarters in Portland, opened its first video store in 1980 and now operates 365 outlets nationwide. "This is not another video-game business," says Owner Ron Berger. "It's not a fad." Another franchise operation, Popingo Video, has opened 36 stores, mostly in Kansas, Oklahoma and Texas, since getting into the business only last June.

In addition to selling tapes, these stores are carrying on a thriving rental trade, typically lending out cassettes for between $1 and $6 a night. The emergence of a strong rental market has surprised many industry observers, who predicted that acquisitive Americans would always prefer to buy rather than rent. Video shops (which can make more money by renting the same cassette over and over) are encouraging the rental trade in a number of ways. Most offer lower rates to customers who pay a yearly membership fee, and many provide services like home pickup and delivery or entice customers by giving away free popcorn with every rental.



With the software market rapidly expanding, larger retailers are starting to enter the business. Supermarket chains in several cities now stock rental videocassettes. Their pitch is a natural: pick up a movie for the night along with the pork chops and iceberg lettuce. "Cassettes are definitely a convenience item and fit in well with the rest of our merchandise," says Richard Simpson, a spokesman for Dominick's Finer Foods, a Chicago-area chain that has carried tapes for three years. Both Waldenbooks and B. Dalton are test-marketing videocassettes in their nationwide bookstores. K mart is starting to sell them, as are a number of other mass-market retailers.

Even U-Haul, the nationwide truck-rental chain, offers cassettes along with its pickups and trailers.

With less fanfare, many public libraries around the country have begun lending videocassettes, often providing for free the same movies that are being rented by stores a few blocks away. One of the largest video collections is at the Greenwich, Conn., public library. It stocks some 1,200 titles, from movies to instructional tapes, and lends them free to town residents. No complaints yet from the local video stores.

Retailers are more concerned about the mass-market Johnny-come-latelies. Edward Sussman, president of Center Video, a nine-store video chain in the Chicago area, says his business has already been hurt by the supermarkets and other outlets that sell cassettes. "All they need is a little floor space, no trained salesmen or commissions, and they're in business," he laments.

On the other hand, some industry observers question whether the entire cassette rental business will sustain its torrid pace once the novelty has worn off. Renting a videocassette, after all, necessitates two trips to the store, a rather inconvenient way to consume one's entertainment. Moreover, once pay-per-view technology is perfected, viewers may be able to call up movies on their home screen via cable, be charged on a per-program basis and get essentially the same entertainment without leaving the living room.

Just how many people will eventually climb onto the home-video bandwagon is hard to say. Some industry analysts predict that by 1990, 40% to 45% of U.S. homes will have at least one VCR. Others suspect that sales will level off before that point. Unlike the color TV, argues David Lachenbruch, editorial director of the trade newsletter *Television Digest*, the VCR is "just not a product that everybody's going to buy. The boom will plateau sooner or later, possibly next year."

Whenever that happens, the VCR has already begun to have a wide-ranging impact. At the most basic level, it has significantly changed the experience of watching television. With a home-video recorder, the once passive viewer is in control of his set, and not just in regard to scheduling. Watching a movie or TV show on tape becomes more akin to reading a book: one can stop and start at will, fast-forward through the boring parts, repeat and study the good ones. If the medium really is the message, this could ultimately mean new forms and styles of programming. Exercise videos and other how-to cassettes have begun to explore this realm in a rudimentary manner. It remains to be seen whether entertainment producers will take advantage of the new medium in more creative ways.

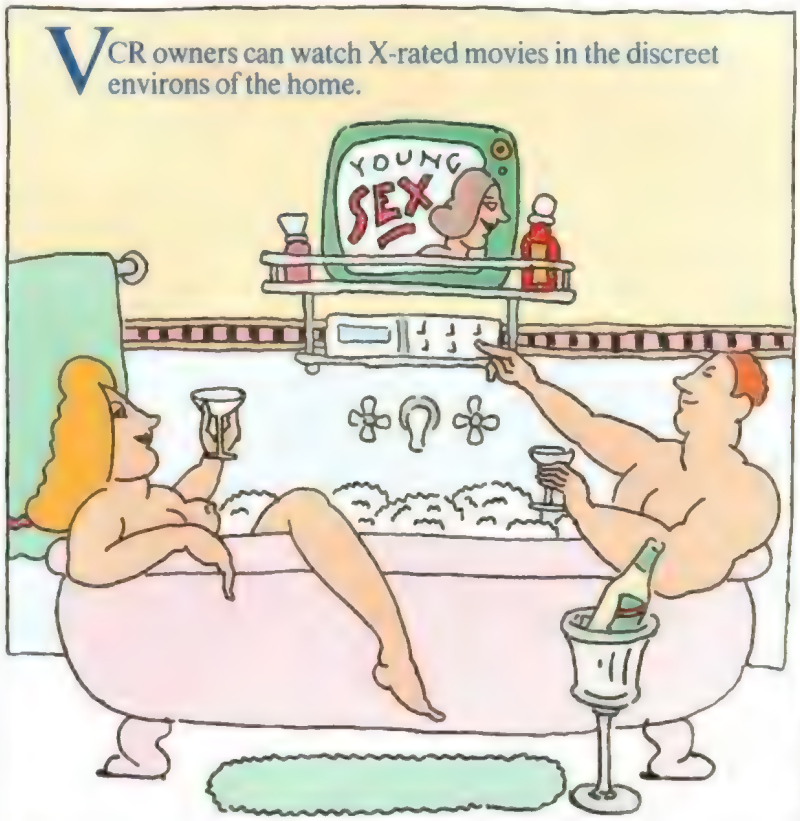
The home-video boom has revived the sort of blue-sky prognosticating last heard during the early days of cable. Michael Tarant, senior vice president of RCA/Columbia Pictures International Video, foresees a wealth of innovative programming for the home market. "What about a teen-age girl's video magazine, with the latest video clips, information on fashion, hair, makeup and so on? Or a *National Geographic* magazine available every quarter on tape?" Other industry observers are skeptical about whether such "video magazines" could attract a large enough audience to be economically feasible. Nevertheless, all sorts of special-interest programming once envisioned for cable—from full-length operas to chess lessons—may be possible on cassettes. "Home video represents every claim that's ever been made for cable TV," maintains Austin Furst, chairman of Vestron Video, a Stamford, Conn., producer of prerecorded videocassettes. "It's going to be one of the most dominant media in the whole country in a couple of years."

The broader sociological impact of the VCR is more troubling to some. Members of the new video generation, with their capacity to call up virtually anything they want on their home screens, are more apt to consume their entertainment in private. Says Todd Gitlin, professor of sociology at the University of California, Berkeley: "It's bad for the culture. People are retreating from the public world. VCRs are making the domestic space a sponge that sucks in the occupants to movies." Even the "VCR parties" that were in vogue when the devices were new have given way to individual viewing as the machines have become more common.

Yet the worries may be largely unfounded. Americans have shown no signs yet of abandoning their local movie theaters: 1984 box-office receipts are expected to reach $4 billion, up from $3.8 billion in 1983 and $3.5 billion in 1982. Moreover, it seems unlikely that the joys of time shifting will ever totally replace the communal pleasure of watching a hit network show or a blockbuster miniseries at the same time everybody else in the country does.

What the VCR really seems to be doing is adding a host of new shapes and rhythms to the pattern of home entertainment without obliterating the old ones. It has introduced a stimulating dimension of selectivity to the once totally passive activity of watching TV. Says Tim Stearns, professor of business and broadcasting at the University of Wisconsin: "People now pick and choose what they want to see instead of just randomly turning on the TV. We're in the age of the video jukebox." The music of *Plop . . . click . . . whirr* coming from that box may still be strange to some ears, but, like rock 'n' roll, it is here to stay. —***By Richard Zoglin. Reported by Peter Ainslie and Barry Kalb/New York and Dick Thompson/San Francisco***

VCR owners can watch X-rated movies in the discreet environs of the home.

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Average residential space heating costs for 100 therms of gas per month as of September, 1984, including state and local taxes. Figures below for areas other than NI-Gas are taken from U.S. Department of Labor, Bureau of Labor Statistics (New York figure includes northeastern New Jersey)

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The Competition Looks On

Hollywood, the networks and cable try to gauge the VCR's impact

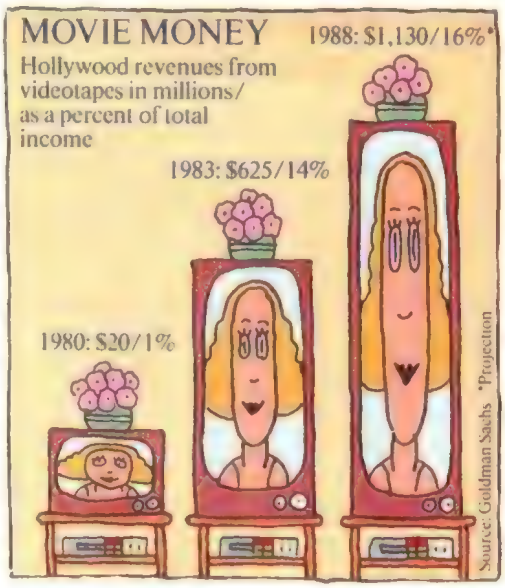
Every time a VCR owner curls up at home with a good movie on video cassette, he is spending leisure time that might otherwise be devoted to something else—going out to a theater, say, or watching a network show, or maybe just playing Trivial Pursuit with the family. The manufacturers of board games have not complained yet, but just about every other segment of the entertainment industry is looking warily at the VCR boom in an effort to figure out how it will affect business. The signs are mixed. While the broadcast and pay-cable networks may be losing viewers to the VCR, the Hollywood movie studios have found a way to cash in on the new medium for big bucks.

The VCR is just one of several new video choices that are being blamed for a reduction in the Big Three networks' share of the TV audience. In 1977, ABC, CBS and NBC together attracted on average a 92% share of the viewing audience; that share has dropped steadily to 74% this season. Many of these lost viewers have defected to cable and independent stations. But at least a portion of them are turning to taped programming on their VCRs.

Network researchers, while conceding that their audience share has declined, argue that the VCR's net effect may be positive. Since most VCR owners use their machines primarily to tape programs off the air for later viewing, the VCR may actually be encouraging viewers to watch more network TV. Says David Poltrack, vice president of research at CBS: "It would appear that the overall level of network viewing in a household will be increased by VCR ownership."

The VCR's biggest effect on the networks may come in the spaces between programs. About half the commercials on taped shows are "zapped" with the fast-scan button, an A.C. Nielsen Co. study found. Though the impact on total commercial viewing is negligible now, it will undoubtedly grow as the VCR population increases, and that could cause advertisers to balk at paying high network ad rates. Joel Segal, executive vice president of broadcasting for Ted Bates advertising in New York City, estimates that at the current rate of VCR growth, the loss of commercial viewership will be almost 1% by late 1987, which could translate into a $200 million loss in ad revenue. "That is something the advertising community has to be concerned with," he says. Worse, the loss would be from among the affluent viewers most attractive to advertisers.

Some industry observers contend that the zapping problem has been overstated. Even viewers who fast-scan through commercials do not totally lose their impact, says Tony Hoffman, director of corporate finance for Cralin & Co. "People are paying more attention to the video than they would if they had no control over it," he says. "I would submit that you are actually getting better retention." Still, advertising agencies are searching for creative solutions to the zapping problem. Among the suggestions: reducing 30-second ads to 15 seconds or integrating them more closely into the surrounding program, thus making them less zappable. Some ad men are even trying to devise new types of commercials that would get their message across when played at fast-scan speeds.



The pay-cable services may have more to fear from the VCR than do the broadcast networks. Viewers with a limited amount of money to spend on home entertainment could decide that renting movies for their VCR is a better value than paying a monthly fee for HBO or Showtime, especially since movies are usually available on cassette several months before they appear on cable. Cable executives maintain that their services offer a wide array of programming for the money and that, in any event, choosing one does not necessarily exclude the other. "The families that are buying VCRs are video active," says Seth Abraham, senior vice president for programming operations and sports at HBO. "They see VCRs and HBO as very compatible, to increase their viewing choice."

The advent of the VCR would also seem to be potentially bad news for the movie-theater box office. In Britain and Australia, where the VCR population is high, theater attendance has dropped significantly. Yet a causal relationship has not been established, and U.S. box-office receipts are continuing to soar even as VCRs proliferate. "Home video will never replace theatrical viewing," argues Micky Hyman, chief operating officer of the Cannon Group Inc. "Seeing a film in a theater with a lot of other people is just a different sort of experience from watching it at home." Says Marvin Goldman, whose company operates 13 theaters in the Washington area: "Look at it this way: 99% of the homes in America have kitchens, and there are more restaurant meals being served than ever before."

Even if Hollywood ends up losing a bit at the box office, it hardly has cause to complain about the VCR boom. Home video is the newest "ancillary" market that movie companies have found to supplement box-office income (the others: network TV, cable, foreign distribution). The studios now make more than $625 million annually, or 14% of their film revenue, from home video, as the cassette rights to hit films (or those expected to be hits) are sold for ever increasing amounts. The home-video rights to *The Cotton Club* brought more than $4 million, and *The Empire Strikes Back* went for an astronomical $12 million in August. The business shows no signs of slackening. "We feel as if we have been managing an explosion," says Timothy Clott, vice president of Paramount Home Video. "It's a question of how high is up."

Hollywood is trying to get a still larger share of the home-video pie. Because of the much disputed "first sale" doctrine, the studios get money only from the initial sale of cassettes; the video stores make all further profits from rentals. Hollywood is trying to persuade Congress to change the copyright law so it can profit from the rentals too. So far, Congress does not seem sympathetic.

In the meantime, some studios are trying to encourage sales by a time-tested ploy: cutting prices. Paramount has led the way, reducing the price on many of its recent hits to less than $40. But few studios have followed suit; such low prices, they claim, can be justified only by a huge volume. They will be watching the sales figures closely. If the cost-cutting succeeds, the result could be lower prices for consumers, more money rolling into Hollywood coffers and perhaps a bit more cause for worry at the broadcast and cable networks. —*By Richard Zoglin.*

Reported by B. Russell Lesvitt/Los Angeles, with other bureaus

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Distressing

A new twist in media law

The fine print at the bottom of page 2 in the November 1983 issue of *Hustler* read, "Ad parody, not to be taken seriously." But Evangelist Jerry Falwell took it very seriously indeed. The raunchy magazine's lampoon of a Campari liquor ad, which normally features celebrities discussing their "first time," had the teetotaling leader of the Moral Majority saying that he always got "sloshed" before preaching and that he had lost his virginity in an outhouse with his mother. Falwell used the ad in a direct-mail solicitation to outraged supporters who raised $800,000, but he also sued Publisher Larry Flynt for both libel and "intentional infliction of emotional distress."

Jerry Falwell

A federal court jury of eight women and four men in Roanoke, Va., decided that Falwell had not been libeled because the parody was patently unbelievable. Yet in a surprising twist, it found Flynt and his magazine liable on the emotional-distress charge, awarding Falwell $200,000 in compensatory and punitive damages.

Until now, the emotional-distress argument has been successfully used mainly by individuals seeking redress against such pests as harassing bill collectors and malicious pranksters; one case, for example, involved a cruel joker who falsely spread the rumor that a woman's son had hanged himself. Constitutional experts warn that its use by public figures against the press could erode First Amendment protections by circumventing the rigorous standards of proof for libel. New York Attorney Floyd Abrams believes the verdict will be reversed, but, if not, it could encourage "an end run around constitutional protections for people who want to bring libel suits but know they can't win."

The law that deals with emotional suffering is far looser than that governing libel. In general, all that is required is that the offending act be intentional, outrageous, and inflict serious emotional damage. By those measures, many political satires and cartoons could be targets. Declares Arthur Strickland, one of Flynt's attorneys: "Reagan could sue Art Buchwald. George Bush could sue Garry Trudeau. Bush could say, 'Whenever I read *Doonesbury* I'm a basket case for the rest of the day,' and have a cause of action. Where does it stop?" Flynt's lawyers plan to ask the judge this week to throw out the jury's finding. If he does not, legal scholars predict that the issue of emotional-distress suits against the press may ultimately have to be decided by the U.S. Supreme Court. ■

Newswatch/Thomas Griffith

Ducking the Truth

After 16 years of silence on the subject, Robert McNamara has finally acknowledged that as early as 1965 he was convinced that the U.S. could not win the war militarily in Viet Nam. Yet when he later went before a Senate committee, testifying as the Secretary of Defense, he strongly denied that we were in a "no-win" war. By ordinary standards, this would seem a lie, but not to McNamara. Testifying in the current libel trial of General William Westmoreland *vs.* CBS, McNamara said he based his testimony to Congress on the unstated hope that Henry Kissinger (then a private citizen) might be able to work out a diplomatic peace. That is what is known to theologians as a mental reservation, and to children as crossing your fingers behind you when you say something you don't really believe.

The fact that the Viet Nam War was on makes a better excuse. As Winston Churchill once remarked, "In wartime, truth is so precious that she should always be attended by a bodyguard of lies." Nowadays public figures are confronted with the problem of telling the truth or lying in a way that never faced Washington, Jefferson or Lincoln. Before congressional committees or television interviewers they face cameras, instant answers are demanded, and the pictorial proof of what is said goes into the files to haunt them. In the Westmoreland trial, McNamara was a reluctant witness; for 13 years previously as head of the World Bank he ducked discussing Viet Nam on the ground that he could not talk about it as an international civil servant. Not many public officials are that lucky. They are usually condemned to explaining themselves constantly without getting much sympathy: They asked for it, didn't they? Businessmen can decline to talk; in fact, should one truthfully answer a reporter's question and acknowledge that his firm is going to agree to a merger tomorrow, he would be in trouble with the Securities and Exchange Commission. Public figures can evade too: "I think 'No comment' is a splendid expression," said Churchill after learning it on a trip to the U.S. "I am using it again and again."

McNamara before Senate committee

But it won't fill up half an hour on a midday Sunday talk show. These programs are both opportunity and trap to a politician who feels the need to get public exposure. The shows get relatively low ratings, but the ratings would be even lower if the programs were only sober discussion of the issues; viewers hope that Roger Mudd, George Will or Sam Donaldson can draw blood. Secretary of State George Shultz can be droningly evasive and still be asked back; lesser fry do not dare. (Andrei Gromyko doesn't have to face the problem at all.) No American politician could get away with an Englishman's jolly "I say, would you mind terribly if I ducked that?" He is both "guest" and adversary, which explains the peculiar studio atmosphere of wary cordiality: neither side wants to appear either a patsy or the heavy.

Until the mid-20th century no politician faced such indecent public exposure, expected to answer tough questions instantly without squirming and with seeming candor, under the camera's up-close searching eye. The questions are often prosecutorial: if a politician tells the truth, he may get in trouble; if he tells a lie, he may get into worse trouble; if he waffles, he will be pressed further. The talent to survive is essential to the politician, but detrimental to the man. It has produced a new mutant in the modern political animal—the chummy dissembler—that many people find distasteful.

Perhaps the way this blood sport is played also contributes to the public's misgivings about the press and some of its more assertive egos. In its own defense, the press can point to the many times in recent history the truth was not demanded about governmental actions and was not told. Before the press lets down its guard too far someone always remembers Harry Truman's remark about who belongs in the kitchen's heat.

DRAWING FOR THE BLAST-MARKS

Debate over a Frozen Planet

A major study supports the grim prediction of nuclear winter

It is two weeks after a major nuclear war, and the searing white flashes of 25,000 bombs have faded into a black drizzle of radioactive fallout. Yet Armageddon is not complete: for miles above the earth, sunlight is blotted out by plumes of smoke from the vast conflagrations in which the major cities of the Northern Hemisphere have been consumed. This thick veil of soot and dust slowly circulates through various layers of the atmosphere, blanketing entire continents, creating a world of frigid darkness. As ground temperatures plummet by as much as 40° F and the sun is obscured, crops in Iowa, Nebraska and the Ukraine in the Soviet Union perish.

This grim scene is a possible approximation of the aftermath of nuclear war, according to a study released in Washington last week by the National Research Council, the principal operating agency of the nation's most august scientific body, the National Academy of Sciences. Three years ago, Paul Crutzen, a Dutch meteorologist who is now director of the Max Planck Institute for Chemistry in Mainz, West Germany, suggested that a cataclysmic nuclear war could be followed by a period of icy gloom. Later, Atmospheric Scientist Richard Turco of R & D Associates in Marina del Rey, Calif., Astronomer Carl Sagan of Cornell University and a handful of other researchers elaborated on the idea, concluding that the cold, which they called nuclear winter, could last for months. Some scientists have disagreed with a few of the more extreme predictions of this hypothesis, which has been given its first official stamp of credibility by the 193-page N.A.S. report. Declared Committee Member Turco: "This legitimizes the problem."

The study, which was commissioned in 1983 by the Department of Defense's nuclear agency, cautioned that uncertainties remain in many of the calculations. Even so, said George F. Carrier, an applied mathematician at Harvard University who was chairman of the 18-member committee, the N.A.S. findings were "consistent" with the original studies, which predicted global cooling and severe hardship for any survivors. The panel recommended that high priority be given to serious research to try to answer some of the more elusive questions that the nuclear-winter theory has raised.

George Carrier

The answers could eventually play a role in formulating the nation's defense strategy. Already one U.S. Government defense study, prepared by the Center for Aerospace Doctrine, Research and Education in Montgomery, Ala., has based its policy analyses on the assumption that the nuclear-winter theory is correct. Says Theodore Postol, a strategic-arms consultant at Stanford University: "I see this as a vehicle to raise questions about our whole nuclear strategy."

Science Adviser George Keyworth II and other members of the Reagan Administration are citing nuclear winter as further justification for developing the Star Wars defense system, which might employ space-based weapons to destroy incoming missiles. With such a system in place, argues Keyworth, neither side would be tempted to strike first, hence the risk of a major war and its climatic consequences would be diminished. But Postol and many other nuclear strategists insist that Star Wars would more likely force the Soviets also to build advanced weapons and thus increase the threat of global holocaust.

The U.S. and the Soviet Union together now have about 50,000 weapons with an explosive power of 13,000 megatons in their nuclear arsenals. Carrier's committee studied a hypothetical war in which about half these weapons were used, both on military targets and on the 1,000 largest cities in the North Atlantic Treaty Organization and Warsaw Pact countries. The blasts from such a war, the report concluded, would immediately send 10 million to 24 million tons of dust into the stratosphere. Another 20 million to 650 million tons of smoke coming from the blasted cities and forests would be deposited mostly in the troposphere. Vast clouds of dust and smoke would spread

across entire continents within days, and the Northern Hemisphere could be blocked from 99% of the sun's light.

Those grim findings could enhance the prospects for a major federal study. In response to the N.A.S. report, the White House may ask for at least part of a $50 million investigation of nuclear winter that is under consideration. Global weather patterns and the behavior of forest fires are two areas likely to figure prominently in the study.

Whether nuclear winter would actually occur after an atomic conflagration is debatable, because the subject involves a complex amalgam of chemistry, physics and meteorology. Indeed the researchers who originated the concept stumbled upon it from several different directions. Many scientists had considered the climatic effects of nuclear war to be relatively insignificant until Paul Crutzen, together with U.S. Chemist John Birks, on leave from the University of Colorado, drew attention to a previously overlooked problem: soot from fires. In 1981, while researching a journal article on the atmospheric consequences of nuclear war, the two assumed that at least 386,000 sq. mi. of forest could burn during a nuclear holocaust. They estimated that the enormous columns of smoke rising into the troposphere—where weather is generated—and possibly into the stratosphere would be enough to block out nearly all sunlight in many areas for weeks and maybe months.

In the U.S., Sagan and Turco, together with Brian Toon, Thomas Ackerman and James Pollack (the three are now at NASA's Ames Research Center in Moffett Field, Calif.), arrived at their own idea of nuclear winter in a somewhat more circuitous fashion. They devised a series of equations, growing out of a study of the Martian climate, to explain the cooling effects of dust in the atmosphere. The scientists analyzed everything from storms on Mars and volcanoes on earth to the possibility that an asteroid collision 65 million years ago was responsible for the demise of some of the dinosaurs. Finally, they realized that yet another event would kick up large amounts of obscuring dust: a nuclear war.

The Turco research team, hearing of Crutzen's work just before publication, was able to incorporate the effects of smoke and soot into its calculations. The following year, using a powerful Cray computer at Ames, they produced dozens of scenarios showing the climatic impact of nuclear wars of varying intensity and location. Christened TTAPS, after the authors' last initials, the study assumed a nuclear bombardment of 5,000 megatons. Targets were confined to the Northern Hemisphere but included sites ranging from missile silos to crowded cities. The study showed that the detonations would suck up more than 25,000 tons of dust into the troposphere and lower stratosphere. Vast firestorms would gallop through forests and urban areas alike. Says Steven Schneider, a climatologist for the National Oceanographic and Atmospheric Administration (NOAA), who has studied nuclear winter in detail: "Everything that burns—tables, chairs, human beings—is going to be turned into something that smokes."

Paul Crutzen

The American scientists predicted that the clouds of smoke would combine into fewer, more enormous columns containing as much as 225 million tons of soot, which would collect in the troposphere and stratosphere (*see diagram*). Perhaps most startling of all, the calculations showed the smoke spreading from its origin in the Northern Hemisphere to the sky below the equator.

Even a relatively small conflict of 100 megatons could trigger a nuclear winter if the targets were cities, according to the TTAPS study. In sum, the researchers declared, the reality of nuclear winter raises the possibility that any aggressor will end up exterminating himself. Says Sagan: "A doomsday machine has been built cooperatively by the U.S. and the Soviet Union, but nobody knew it was there."

1 Nuclear device is exploded over a populated area. Blast ignites fires. 2 Fires converge into a single firestorm. Heat from fire pumps a black column of smoke up through the troposphere. Some reaches the stratosphere. 3 Clouds of dust and smoke block sun's rays, then spread over vast areas of the globe, causing ground temperatures to fall. Much of the soot in lower troposphere is eventually washed out by rain, but clouds higher up continue to block sun for weeks or months. The particles that reach stratosphere could remain for a year or more.

TIME Diagram by Joe Lertola

Since the appearance of the TTAPS paper, Nuclear Physicist Edward Teller and his colleagues at California's Lawrence Livermore Laboratory, a major weapons-research center, have sought to downplay the degree of destruction postulated by TTAPS. Writing in the authoritative research journal *Nature* last August, Teller noted that several factors may serve to thaw a nuclear winter: firestorms that loft smoke to a high altitude are very rare and depend on dense concentrations of fuel and precise weather conditions that allow all available oxygen to be consumed. Any slight incidence of cooling, Teller told TIME, "will be much less bad than the direct effects of a nuclear war."

Livermore calculations buttress Teller's theories. In one computer simulation of a detonation of a single-megaton explosion, Physicist Joyce Penner, who heads the laboratory's study of nuclear smoke, found that a column did indeed rise six miles into the sky, but that half the smoke dropped quickly into the troposphere. The 50% that remained aloft, Penner estimated, contained nearly three times the condensation needed to produce rain. This finding suggested that even smoke in the stratosphere, beyond the reaches of normal weather patterns, would create its own storm and fall back to earth.

Neither computers nor scientists on either side of the argument have yet been able to answer the major questions about conditions following a nuclear attack: How high would a column of smoke rise from an urban obliteration? How much smoke would fall back to earth? Would the sun cause smoke plumes to heat up and rise higher into the stratosphere? How many megatons would have to be detonated in order to trigger nuclear winter? To get some answers, several federal agencies, including the Departments of Defense and Energy, the NOAA, NASA and the Environmental Protection Agency are about to launch a comprehensive study. In one of the survey's likely investigations, a plane will fly above large-scale forest fires, and on-board equipment will gauge particle size and the destination of the soot. High above the earth, satellites will photograph the smoke plumes.

The information gathered will then be fed into computers. Classified data on weapon yields and height of bursts will be included as well. Still, there is no guarantee that all the mysteries of nuclear winter can be unraveled. Says Alan Hecht, director of the National Climate Program Office in Washington: "We're being asked to solve a question that is at the heart of meteorology today." In other words, if scientists cannot predict tomorrow's weather, how can they foresee the aftermath of World War III?

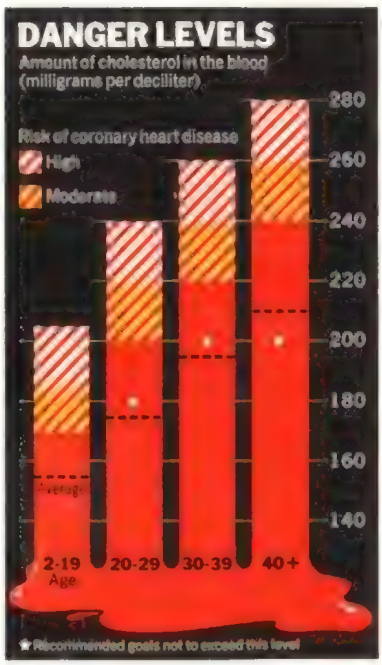
Perhaps the ultimate meaning of the possibility of nuclear winter is the pressing need for effective arms-control agreements. Says Crutzen: "My advice to world leaders is, 'Come to your senses.'" —*By Natalie Angier.*

Reported by Barrett Seaman/Washington and Dick Thompson/San Francisco

The Fatty Diet Under Attack

A panel tells many Americans to lower their cholesterol levels

After nearly 30 years of warnings from health officials, most Americans are well aware of the perils of too much cholesterol. The problem is, how much is too much? What level of cholesterol in the blood should be considered acceptable, and at what point does treatment become necessary to reduce the risk of heart disease? For three days last week the National Institutes of Health in Bethesda, Md., convened a panel of 14 experts to try to answer these questions. The group reviewed the extensive scientific evidence linking high levels of cholesterol and fatty diet to heart disease, the leading cause of death in



the U.S. They heard testimony from dozens of people and then retired to draft a report, working into the early hours of the morning. The result is the most far-reaching recommendation yet made on the subject of cholesterol and heart disease.

For the first time ever, American physicians were offered specific, numerical guidelines to help them identify and treat the one-quarter of the population that is considered to have a moderate to high risk of developing heart disease because of their cholesterol levels. In addition, to end the confusion about what levels should be considered normal, the panel issued specific targets for all adults: those under 30 should have cholesterol levels no higher than 180 mg per deciliter of blood; those over 30, not above 200 mg. These targets are below what many doctors had previously considered acceptable and below the average reading for middle-aged Americans. "By specifying numbers, we hope to make things happen," said Panel Chairman Daniel Steinberg, professor of medicine at the University of California at San Diego.

The panel urged immediate and "intensive" treatment of those at risk, beginning with a low-fat, low-cholesterol diet. Such a regimen usually emphasizes fruits and vegetables, substitutes chicken, fish and lean meats for fatty ones, and encourages the use of polyunsaturated oil for cooking. For patients who fail to respond to diet, cholesterol-lowering drugs are advised. Further cautions: Do not smoke, exercise regularly and control your weight.

In a more sweeping recommendation, the experts urged that all Americans over age two adopt a diet that would reduce total fat intake from its current national level of about 40% of total calories to just 30%. Saturated fat—the type found mainly in meat and dairy products—should constitute no more than 10% of a person's daily diet, the panel said. The suggested regimen would limit cholesterol consumption to 250 to 300 mg a day (one large egg yolk contains 270 mg).

While such a diet has been advocated by the American Heart Association for years, some scientists believe it is wrong to try to impose it on the entire U.S. public. "We are holding out the promise that the whole population will benefit from this, and that is unrealistic," says Dr. Edward Ahrens, a leading cholesterol researcher at Rockefeller University. But Steinberg argues that the diet can do no harm and hardly poses a hardship: "There is no reason a person can't follow it and still have a sundae at Häagen-Dazs every Saturday."

The NIH panel acknowledged that a number of obstacles must be removed if its recommendations are to have an impact on American health. First, cholesterol testing must be standardized across the country. At present, results from one laboratory to the next may vary by as much as 10% to 15%, and some laboratories continue to regard readings of up to 300 mg as within the normal range. The panel called on the food industry to provide better labeling of the fat content in processed foods, and it urged restaurants to offer lower-fat items on their menus. Public education was seen as vital so that high-risk people can quickly be identified and treated. Said Steinberg: "We hope that five years from now people will say, 'I better go get my cholesterol checked.' " —*By Claudia Wallis. Reported by Patricia Delaney/Washington and Melissa Ludtke/Los Angeles*

To the President: "I'm getting a runaround"

Sudden Setback

Schroeder weathers a stroke

Just two weeks after the implant of his artificial heart, William Schroeder was hoping to get out of the hospital in Louisville in time for Christmas. "My criteria for success is what I got right now," he confidently told two reporters standing near his bed. "I only had about 40 days to live. With this new heart I feel I have ten years." But last Thursday evening, as Schroeder sat in a chair eating dinner, his wife Margaret became alarmed when he abruptly froze and then fell unconscious. He had suffered what doctors at Humana Hospital Audubon called a "small but severe stroke."

According to Dr. Allan Lansing, medical director of the hospital's heart institute, the stroke may have been the result of the constriction of cerebral blood vessels, possibly weakened by Schroeder's diabetes. Another possibility: an artery to his brain may conceivably have become blocked by a clot that formed on a valve in Schroeder's mechanical heart. By week's end, according to Lansing, Schroeder had made a "brilliant" recovery.

The stroke occurred just one day after the world's most famous heart patient took a phone call from President Reagan, who rang up to wish him well. Seizing his chance, Schroeder told the President, "I've got a Social Security problem." Reagan asked Schroeder to repeat himself. "O.K.," said the patient. "I filed March of 1984 for Social Security, and I'm just getting a runaround. I'm not getting anything at all." Promised the President: "I'll get on it right away." Two Social Security officials appeared at Schroeder's bedside the next day and handed him a check for five months' back payments. Said Schroeder, evidently pleased by the quick service: "They're right on the ball." ■

Science

AIDS Anxiety

Concern over health workers

In Boston, a 46-year-old medical technician lay dying of acquired immune deficiency syndrome last week. Before he became too ill to speak, he insisted that he did not belong to any of the four high-risk AIDS categories: homosexual men, intravenous drug users, Haitians and hemophiliacs. Instead, he blamed his illness on accidentally pricking himself with a needle while taking blood samples at the laboratory where he worked.

In England, a nurse at an undisclosed hospital became ill after pricking herself with a syringe containing blood drawn from an AIDS patient. For more than 20 days she suffered from the flulike symptoms and fever that often characterize the early stage of the lethal disease. Though she appears to have recovered, her blood shows evidence of infection with the AIDS-related virus.

These two cases caused a flurry of concern in the medical community. Ever since the disease was first described, doctors have feared that it would spread to health-care workers. The pattern of transmission—through body fluids and needles—closely resembles that of hepatitis B, a dangerous virus that poses a serious threat to hospital personnel.

According to officials at the Centers for Disease Control in Atlanta, there have been 232 cases of AIDS in American health-care workers; of these, 23 did not belong to one of the four risk groups. None of these cases, however, has been directly connected to occupational exposure, insists Dr. James Curran, director of the CDC task force on AIDS. Even the Boston case is subject to question. So far, investigators have been unable to find out if the laboratory worker had actually handled AIDS-contaminated blood. "Whether he got AIDS from the needle stick is unclear and is likely to remain unclear," says Curran.

The British incident is more worrisome and appears to be the first documented case of transmission from patient to medical worker. However, this case has several unusual features. According to the journal *Lancet*, it was not an ordinary needle-prick injury since it may have involved the actual injection of infected blood. Also, the nurse's patient apparently had contracted AIDS in Africa, where the virus seems to have different characteristics from its American cousins and appears to be spread primarily by heterosexual contact.

Fears were allayed somewhat last week with the release of a new study by Dr. Martin Hirsch of Massachusetts General Hospital. Hirsch has followed 85 hospital employees who routinely worked with AIDS patients or samples of their body fluids over periods of one to three years. None contracted the disease. As long as the CDC's safety guidelines for working with the AIDS virus are followed closely, says Hirsch, "health-care workers are at low risk." ■

Planet or Star?

Excitement over a sighting

Is it a planet or is it a star? Or might it be a brown dwarf? Those questions were being debated throughout the rarefied world of astronomy last week after a University of Arizona team announced the first sighting of a planet outside the solar system. It appeared to be the long-awaited breakthrough in the search for planetary systems other than our own: a warm ball of gas about the size of Jupiter seen orbiting around Van Biesbroeck 8, a star some 21 light-years from the earth. Since a light-year is the distance light travels in one year at the rate of 186,000 miles per sec., that would put the planet about 123 trillion miles from the earth. Said a confident Donald McCarthy Jr., the astronomer who headed the Arizona team: "It's a large planet orbiting around a small star."

But while McCarthy's fellow scientists were clearly excited by the find, many had doubts about exactly what to call it. Astrophysicist David Black, who heads NASA's project to search for other planetary systems, theorized that what McCarthy's team had found was actually a pair of diminutive stars, one of which failed to develop fully and became a celestial relic known as a brown dwarf. Benjamin Zuckerman, professor of astronomy at the University of California, Los Angeles, called the discovery "not quite a planet and not quite a star." George Gatewood, director of the University of Pittsburgh's Allegheny Observatory, agreed: "Planet is the wrong word. Call it what you like. It just doesn't seem like a planet." But he added, "If you took a layman by it, it would look to him like a star."

The issue is more than a matter of semantics. Scientists have long suspected that the universe is teeming with distant planets, some of which might support life. Some astronomers have inferred the presence of planet-like bodies by measuring the wobble in the path of certain stars as they travel across the sky; they suggest that the tug of another object's gravity might cause a disturbance in the star's movement. The Infrared Astronomical Satellite in 1983 detected around a few stars great disks of dust and debris that are thought to be spawning grounds for new planets. The fact that astronomers have been unable to see extrasolar planets is hardly surprising, given their relative small size and lack of luminosity. By comparison, hosts of stars, with the light generated by their nuclear fires, are clearly visible against the background of the heavens.

The object discovered by McCarthy and his colleagues—Frank Low of the University of Arizona and Ronald Probst of the Kitt Peak National Observatory in Tucson—has been dubbed VB 8B and is some 600 million miles from the star it orbits. It is visible only through powerful telescopes. Although it is nine-tenths the size of Jupiter, its mass is ten to 50 times greater. It is also a good deal warmer: 2,000° F, in contrast to Jupiter's −240°, or as Gatewood put it, "as hot as a Pittsburgh blast furnace."

The sighting of VB 8B was made using a technique known as speckle interferometry, which eliminates most of the distortion that the earth's atmosphere causes to the faint emissions of light from so distant a body. Instead of taking one infrared exposure, the astronomers snapped 10,000 quick shots. A computer then blended all these shots into a composite image.

After considering its evidence, McCarthy's team decided to call its find a planet, or "more accurately a brown dwarf." This kind of quasi-star, whose existence was first theorized by Shiv Sharan Kumar, an astronomer at the University of Virginia, has never been observed directly before. Said Kumar of the Arizona sighting: "People wish for planets, but these are not them." —*By Philip Elmer-DeWitt. Reported by Heyden White/New York and Robert C. Wurmstedt/Tucson*

A Flop Becomes a Hit

Price cuts, new features and big promotions rescue IBM's PCjr

Only six months after IBM introduced the PCjr home computer in November 1983, the machine looked like one of the biggest flops in the history of computing. Despite IBM's towering prestige and a marketing budget estimated at $40 million, the PCjr sold as sluggishly as Edsels in the late 1950s. Consumers seemed to be turned off by the computer's toylike appearance and $1,269 price tag. Dealers, stuck with growing inventories of unsold machines, were beginning to panic. Wrote *Popular Computing* Columnist Steven Levy: "The machine has the smell of death about it."

But IBM stood firmly behind its newest and littlest computer. Said Vice President Philip Estridge in April: "Reports of its demise have been greatly exaggerated." Now it seems that Estridge was right. After a quick series of engineering and marketing changes, IBM appears to have turned its loser into a winner. At stores around the U.S., the PCjr is suddenly one of the fastest-selling computers on the shelves, often outperforming cheaper, game-oriented machines like the Atari 800 and the Commodore 64. "This may be an industry first," says Stephen Guty, editor of McGraw-Hill Computer Books. "No product has ever been successfully resurrected after being so condemned."

From the beginning, the PCjr was viewed as something more than just another machine. For some, the entry of IBM into the low-cost market promised the fulfillment of long-held dreams of getting a computer into every home and classroom. Others expected that IBM would quickly dominate the markets for home and school computers just as it had taken over the one for office machines.

But it was not to be, at least not right away. IBM, seeking perhaps to protect sales of its highly popular PC and XT business computers, deliberately limited the power of the PCjr. The company made it difficult for users to add extra memory or disk drives, and it chose a circuitry design that made the computer run slower than comparable machines. The most criticized feature was the Chiclets-style keyboard that was unsuitable for heavy-duty typing and thus reduced the appeal of the machine for word processing or extensive record keeping.

But even as the PCjr's detractors were dancing on its grave, IBM was plotting its rescue. The company's first step was to help beleaguered dealers by allowing them to delay payment until the end of August for computers ordered in January, six months longer than normal. Then, on the last day of July, IBM quietly introduced a flurry of new PCjr features and options, including a typewriter-style keyboard that was retroactively provided free to every registered owner.

Having dealt with the machine's more visible flaws, IBM immediately set in motion a two-pronged marketing campaign that combined dramatic price cuts with blitzkrieg advertising—radio, TV, newspapers, magazines, even direct mail. The price cutting began in earnest in July, when IBM slashed the cost of the basic one-disk-drive model from $1,269 to $999. In mid-October, the company offered dealers an extra $250 rebate and encouraged them to pass on the savings to customers by selling the machine with heavily discounted software and peripheral equipment. By November, computer stores were offering a computer-and-color-monitor package that once went for $1,698 for under $900, and some discount houses were selling it for even less. Now, in the final shopping days before Christmas, the PCjr is undercutting the competing Apple IIc by about $200 and countering Apple's green-screen monitor with one that shows full color. Says Erik Rossing, a vice president of the Minneapolis-based Computer Depot chain: "The Junior has become the best value in the store."

Sales, which had dwindled to a few thousand a month by July, started doubling and then tripling each month, according to Future Computing, a Dallas-based research firm. An estimated 90,000 computers were sold in November. Retail sales could reach 280,000 this year, a far cry from the 500,000 to 1 million predicted just a year ago but a respectable showing nonetheless.

The PCjr, however, is unlikely now simply to roll over the low-cost computer market. Apple remains the powerhouse in both the home and school. This year it will sell about 900,000 of its IIe and IIc machines. Some industry watchers also wonder whether IBM's sales momentum will continue after the generous rebates expire in January.

Despite its belated success, the PCjr still has a few problems. It can run only some 40% of the programs written for the PC, and new software for the home and education markets has been developed slowly. Moreover, in boosting the power of the Junior to make it more attractive to experienced computer users, IBM has made it harder for beginners to handle. For example, plugging in more than one memory-expansion module or peripheral device calls for a tangle of cables and bricklike power-supply boxes, each of which costs extra. In addition, the machine in its various configurations requires three different versions of IBM's somewhat intimidating disk operating system, PC-DOS.

IBM's aggressive campaign to rescue the ailing machine has raised new fears about its corporate clout. Apple Chairman Steven Jobs hints that the company may be unloading its machines at prices below the cost of production. If so, it could be risking trouble with antitrust laws, which prohibit firms from selling products at a loss when the effect is to drive out competitors. The Government's decade-long antitrust case against IBM was dropped in January 1982, but a few industry executives, including Apple's Jobs and Benjamin Rosen, chairman of Compaq, are beginning to talk openly about another one. Says Parren Mitchell, chairman of the House Small Business Committee: "Sooner or later, someone is going to complain to the committee about IBM."

Another company might have cut its losses and dropped the Junior, but by redoubling its efforts IBM ensured itself a share of the $2.8 billion market for home computer systems. Corporate pride was also at stake in the effort to snatch victory from the jaws of what was shaping up as defeat. "IBM didn't like having this black eye," says Egil Juliussen, chairman of Future Computing. "They wanted to figure out a way to help the machine along, and they did."

—By Philip Elmer-DeWitt. Reported by Thomas McCarroll/New York, with other bureaus

New Life for a Dead Language

Fresh teaching techniques turn Latin into favorite classroom fare

Leonardus strides into the class of 24 small pupils and delivers an imperial greeting. *"Salvete, discipuli!"* he booms. *"Salve, magister,"* replies the chorus. The sound is an echo from Pompeii: Health to the teacher, health to the pupils.

But the place is a far cry from that long-dead Roman town. This is inner-city Philadelphia, and the *discipuli* are fourth-graders at Samuel Powel Elementary School. Leonardus, a.k.a. Bruce Leonard, is one of a cadre of new-wave Latin teachers who are reviving the classics in schools across the U.S.

"We're going to play the 'come-up' game," says Leonard, holding aloft a picture. *"Quid est* [What's this]?" he asks. Hands fly up. *"Caseus est* [It's cheese]," pipes a nine-year-old named Cheryl. *"Optime* [Super]!" praises Leonard, and calls the proud pupil up front to play teacher with a new picture. After a relay of come-ups, Leonardus leads a Latin sing-along of *Rome Is Burning* to the tune of *Are You Sleeping, Brother John?* climaxed by a fire dance with everyone shouting *"Flammae, flammae, flammae!"*

The children love it. So do some 14,000 other Philadelphia youngsters who are taking Latin in 20-minute daily sessions of games, songs and chatter, supplemented by lively workbooks starring Batman, Conan the Barbarian and Donald Duck. "It's fun," says Powel Pupil Richard Williams, 9, adding that at home he hails his father with *"Salve!"* At New York City's private Trinity School, eighth-graders take turns reading aloud about a freed slave who owns a glassmaking shop. Teacher Cornelia Iredell spices the session by mixing in bits of grammatical instruction with the information that Roman merchants had to pay protection money to hoods in order to keep stores from being trashed.

At a Chicago public school, Teacher Robert Creighton wraps himself in a sheet before entering class. "When I walk into the room in a toga," he explains, "I've got everyone's attention." He holds it with a Latin version of *What's My Line?*, spelling bees and a puppet show starring a mouse named Equus Eddie. In Fairfax, Va., Maureen O'Donnell awards daily bonus points to high school students who can pick out pop items like Top 40 song titles scribbled in Latin on the blackboard.

O'Donnell returned to teaching the subject seven years ago, after raising six children. Her re-entry came at the nadir for Latin in the U.S. In 1976 just over 150,000 American public high school students took the language, down a disastrous 79% from the 1962 peak of 702,000. "Latin went into a slump with the Sputnik era, with its concentration on science and technology," she recalls. And she says, "Then came the permissive age," the 1960s and early 1970s, when demands for so-called relevancy in course content pushed many schools to reduce or abandon classical studies and language instruction.

But in the past half a dozen years, the old tongue has been given new life, in part because of a back-to-basics reform in school curriculums, and in part by the fresh teaching methods that have transformed Latin study from a lock-step marathon into a lively challenge that students enjoy. Today's approach, according to Joseph Desmond, head of the 19-member faculty of ancient languages at prestigious Boston Latin School, is to let the students absorb Latin "the way all language is naturally learned, by reading and speaking it first." Says Betsy Frank, a teacher in suburban Atlanta's Walton High: "Now we're putting in history, mythology and a host of other things to keep it interesting. The students are fascinated with the daily life of the gladiators." Susan Belmonte, 14, in her first year of Latin at Walton, confirms the enthusiasm: "The Romans were neat," she bubbles. "You get to learn about a whole different culture."

Gladiator and toga-clad friend at the Norfolk banquet

A weekend bash for new-wave Latin lovers.

In response, high school enrollments in Latin are up by 20,000 nationwide, and climbing. Texas alone has shown a 42% increase, to 12,438 in the past two school years. Philadelphia's phalanx of elementary students has grown from an experimental group of 429. Virginia boasts 15,311 Latin students, including some of the most devoted in the U.S. Last month 2,000 of them traveled on their own time to Norfolk for a weekend convention of the Virginia Junior Classical League, featuring a Roman banquet, Latin recitations and competitions. "It's weird, isn't it," said Conventioneer Jim Willems, 17, "kids showing up on a Friday night to take tests."

Weird and, to Latin teachers, wonderfully satisfying. For along with such enthusiasms have come ancillary effects. Last year students taking the Latin Achievement Test outscored the national mean in the verbal SATs 591 to 425, and in math 591 to 468. Though some educators claim the reason may be that students pursuing the classics are bright to begin with, the teachers believe otherwise. "Latin helps students become more disciplined," says Rita Ryan of Omaha's Central High School. "It's a good means of training the memory."

More significantly, at the elementary school level the imaginative, fast-paced lessons provide a boost toward mastering basic English, particularly for disadvantaged youngsters with poor reading and writing skills. As they discover the Latin roots of such common English words as flame, and pick up an understanding of grammar and structure from the ordered shape of Latin words and sentences, they build everyday linguistic capabilities. In verbal tests, Philadelphia's fifth-grade Latin pupils perform up to a full year ahead of peers who have not taken the subject. So do youngsters in similar programs in Indianapolis and Brooklyn. The same is true for sixth-graders in Los Angeles, where Spanish-speaking students find Latin to be the most relevant part of their school lives—90% of the vocabulary of their native tongue comes directly from it. "Now something is happening in the classroom they can relate to," says one California scholar. "It sounds like their own language."

In fact, the only limit to continuing growth for Latin is not in students' appetites but in the shortage of qualified instructors. Philadelphia's foreign-language-education director, Rudolph Masciantonio, who pioneered the city's Latin renaissance, says confidently, "If I had the teachers, we would have Latin in every fourth-, fifth- and sixth-grade classroom in the city tomorrow." —**By Ezra Bowen.**

Reported by Patricia Delaney/Washington and Jeanne-Marie North/Philadelphia

"The Thermostat Stuck at Hot"

A psychoanalyst studies the problem of anger in urban life

It is raining hard in Manhattan, and the bus door has just closed. Hurrying to the corner with his wife and two babies, a young doctor taps on the glass to be let in. No reaction from the driver. He taps again, a bit harder, and the driver gives him a get-lost glare. The man explodes in fury, smashing the glass door panel as the bus pulls away. Now he has a rain-soaked family, no bus and a bleeding hand.

"To walk the streets of any large city is to see anger everywhere," says Psychoanalyst Willard Gaylin, 59. "The short fuse is a way of life in the city today, and the city today is not just New York but Detroit, Toledo and even Middletown." Gaylin, the young doctor who cut his hand on the bus door 32 years ago, was a confirmed short-fuse man for years. He is now the author of *The Rage Within* (Simon & Schuster; $16.95), a series of reflections on modern anger and what to do about it.

Gaylin practices psychotherapy in New York City and is president of the Hastings Center, a think tank on bioethics, in suburban Hastings-on-Hudson. Like many other Americans, he sees provocation everywhere: the callous bureaucrat, the aggressive teen-ager, the mean-spirited functionary like the trainman at Grand Central station who once shut the gates on Gaylin two minutes early "because I enjoy it." Much of this behavior, Gaylin says, is displaced anger shuttling around in a frustrating society. Humiliated by a boss, an employee turns on a co-worker or goes home to scream at his wife. The key to controlling such behavior in oneself, Gaylin says, is to remember that the anger reaction is built into the human organism as a response to life-or-death confrontations and ought not to be used in trivial situations. "The person who is holding up the grocery line is not killing you; he is only killing time," says Gaylin. "There is serious reason to view anger now as an anachronism, a vestigial, biological remnant that, like the appendix, once may have served an adaptive purpose but now is only a potential source of trouble."

THOMAS VICIOUS

Psychoanalyst Gaylin

Anger has not been studied much in psychology. Even Freud had curiously little to say on the subject. The work that does exist has often been the product of intellectual fashion. In the 1960s, the gloomy, determinist writings of Konrad Lorenz *(On Aggression)* and Robert Ardrey *(The Territorial Imperative)* depicted man as a victim of permanent aggressive drives, built in by evolution. In the 1970s, sunny therapies derived from humanistic psychology viewed anger as blocked energy in a hydraulic system: to feel better, the enraged person should vent anger fully and candidly. *The Angry Book*, by Therapist Theodore Rubin, and Arthur Janov's primal-scream therapy were both devoted to the notion that bottled-up anger had to be released. In the more buttoned-down 1980s, this "ventilationist" theory has fallen into disrepute. Recent studies by psychologists and psychiatrists have concluded that letting rage out is rarely cathartic and usually produces more anger, not less, by serving

as a rehearsal for future outbursts.

"Expressing anger is a form of public littering," says Gaylin, who says he has mended his ventilationist ways. "As one who has experienced anger, I can tell you how futile and dangerous it is. It just makes for an uglier community, full of shouting, horn honking and fender benders."

To Gaylin, feelings are not opposed to rationality but are guides and instruments of the reasoning process: just as the joy of painting a good picture will lead us to decide to paint another one, the irritation of being treated badly at a restaurant guides the decision not to return. The trouble comes, he says, when an individual begins to think that the impulse to anger must be acted upon regularly. Expressing rage, he thinks, becomes a habit, though it is more reasonable to develop other habits, such as changing the subject or walking away. The feeling that anger must be let out is a major problem in urban life, he says. "It is the thermostat stuck always at hot."

Gaylin is the author of two other books that deal with rage: *Feelings*, a study of the emotions, and *The Killing of Bonnie Garland*, an account of the murder of a Yale student by her lover. He believes that a great deal of rage stems from infancy, an anger born of dependency and the bottomless fear that the parents will not respond. This fear of abandonment, he thinks, "is one that survives, often in disguised and complicated forms, well into adulthood, and we will rage at any suggestion of neglect by those whom we love and on whom we depend." Gaylin says that many of the quests for status symbols—the hot automobile, the best table in a restaurant or a private chat with the boss—are shadowy reprises of infant anxieties, just as affronts to status and pride reawaken infantile anger. "The larger office, the corner space, the extra window are the Teddy bears and tricycles of adult office life," he writes.

DRAWING BY STEVENSON © 1980 THE NEW YORKER MAGAZINE, INC.

"Are you really happy this morning, or are you just dealing with your anger in a positive way?"

According to Gaylin, all this has a political upshot: in order to reduce the anger level, society must attend to the needs of its most dependent people. He writes, "Whenever an individual finds himself in a position of dependency, he will recast the current reality in terms of the helpless phase of childhood, evoking all the urgency and volatility of that earlier state." At the same time, Gaylin urges intellectuals in general, and sociologists in particular, to stop lavishing so much understanding on expressions of social anger, from graffiti to riots. "We need a return to decorum, manners and the rights of the community as opposed to individual rights," says he. "We have just about reached the limits of individualism. It's time to turn down the volume and think of the community." Gaylin believes that society should face the possibility in some future time of tinkering with the human body, by chemical or biological means, to tamp down anger. "If the physiology of rage were to throw an 'articulate' switch instead of a 'pouncing' one, we would be better served."

On the personal level, his advice is far more conventional. To ward off anger, each individual should try to develop loving relationships and pride in work. When provoked in non-life-or-death situations, he says, count to ten, then forget the provocation and get on with life. —**By John Leo**

Move over Santa!

We don't mean to sound like Scrooge.
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Close encounter: Allen and Bridges share one of the visitor's magic gumballs

The Lover from Another Planet

STARMAN *Directed by John Carpenter*
Screenplay by Bruce A. Evans and Raynold Gideon

Miss Manners would approve of this creature from outer space: before invading earth, he waited to be invited. He is the first extraterrestrial to visit our planet in response to a summons from the Voyager 2 spacecraft, which since 1977 has careered through the heavens carrying recorded greetings in 55 languages and a few alltime Top 40 tunes by such as Bach, Beethoven and Chuck Berry. Problem is, this Starman (Jeff Bridges) didn't R.S.V.P. Without so much as a by-your-leave, he has crash-landed in Wisconsin and now has three days to get to Arizona, where the mother ship will pick him up, like Junior after the sock hop, and take him home. His cross-country guide and reluctant guardian angel is Jenny Hayden (Karen Allen), a young widow, who at first registers no small surprise on discovering that Starman has assumed human form by cloning the body of her late and much loved husband.

Starman is not so much a clone as that familiar subspecies, the Hollywood hybrid. If any scene worked in any earlier movie, it is used here, and it works here. Start with the collected works of Steven Spielberg (*E.T., Close Encounters of the Third Kind, The Sugarland Express*), add the opposites-attract love story of every road movie from *It Happened One Night* to *Romancing the Stone*, and give it the glaze of cerulean romance. It is as if the United Nations had launched a videodisk containing snippets from every Hollywood genre, which had then been synthesized by an alien culture with a gift for sweet-souled comedy and an eye for the bottom line. Which is to say that *Starman* has not an original thought in its head, but it should touch many a receptive heart.

A few years back, Columbia Pictures chose to produce *Starman* instead of a children's movie with a similar theme: *E.T.* It is easy to see why. This is a fairy tale for adults: the impossible dream realized here is not a cuddly playmate for a lonely boy but the resurrection of love in a life gone sour. Starman's appearance to Jenny is a double shock: he is both the incarnation and a parody of her lost love. He speaks in the tones of a computerized Muppet and moves in twitches, like a punk robot. But he is innocent and kind, and as alone in the universe as she feels. She can befriend him, teach him, mother him and finally love him—whoever he is, whomever she wants him to be. She can travel with him, as the movie does, under cruise control toward romantic transcendence.

Director John Carpenter's achievement in *Starman* is to convince the moviegoer that it is perfectly natural to fall in love with both of these vulnerable, resilient creatures. It is his luck to have them played by two of Hollywood's most beguiling actors. For more than a decade, Bridges (*The Last Picture Show, Fat City*) has been a star to everyone but the public. Here he puts his California breeziness and good looks in the service of a superbeing trapped in human skin and becoming human. With *Starman* he should also become a hot commodity, as should Allen. Spiky yet well scrubbed, she has always suggested a farm girl with a Sorbonne degree. Now the girl grows up. Her first scene is one of sweetly convulsive grief; her last is one of beatific parting; and in between she dances from light comic actress to macho *femme* without ever doing an "actor's turn." Allen is worth traveling light-years to see, but *Starman* is as close as a neighborhood theater. It could more appropriately be found in a Christmas stocking.

—By Richard Corliss

Vow of Comedy

MASS APPEAL
Directed by Glenn Jordan
Screenplay by Bill C. Davis

Some priests have flocks; Father Tim Farley (Jack Lemmon) has fans. The 5:20 Mass is S.R.O. for this Johnny Carson in alb and chasuble, who keeps the customers satisfied with ingratiating patter—dinner and a show for the price of your soul. Off-pulpit, Father Farley is a bit of a sacramental wino but still relentlessly endearing, dodging attacks and responsibilities with an easy quip. Somewhere beneath the show-biz charm, though, compassion pulses. When an angry young seminarian (Zeljko Ivanek) antagonizes his rector (Charles Durning), Father Farley resolves to detoxify the lad's ardor, teach him a few punch lines, figure out where God fits into all this.

In his big serious roles, Lemmon often turns his best instincts upside down. His gestures seem stranded between media: too intimate for the stage, too ostentatiously cunning for the screen. His Emmett Kelly face sags under the weight of compromise, drains of life, wears anguish like a Distinguished Service Cross. These roles inevitably win Lemmon Oscar nominations (three in the past five years), but this time he might even deserve one. Father Farley is an ideal Lemmon subject: the entertainer at mid-life crisis, with all attendant weary routines and stutter-step timing, and a love-hate relationship with his audience and himself. Lemmon's trademarked excesses are part of the character; they play off Ivanek's imploding edginess in a generational combat of acting styles. Guess who wins in this expanded and affecting version of Bill C. Davis' 1981 Broadway comedy? The old soft-shoe salesman may be a little weak in liberation theology, but he does know how to work a room.

—R.C.

Jack Lemmon holds forth as Father Tim Farley

The entertainer at mid-life crisis.

Cinema

Rushes

THE FLAMINGO KID

There is the sweet air of an authentic memoir about *The Flamingo Kid*, which recollects an adolescent experience in gentle but nonsoporific tranquillity. The time is 1963, and Jeffrey Willis (Matt Dillon) is a poor Brooklyn boy working for the summer at an upper-middle-class Long Island beach club. There he meets a car dealer (Richard Crenna), slightly shady and blatantly materialistic, who tries to tempt him away from the good values of his decent dad (Hector Elizondo), a plumber whose trade may be humble but whose spirit is not. There is originality and poignancy in Neal Marshall's story about competing father figures, and Garry Marshall's direction is unforced but never lackadaisical. The movie is rich in the eccentrically comic details of club life. It is good to see Dillon's quiet manner as a sign of intelligence, not sullenness, and Crenna and Elizondo are both superb as the grownups competing for his soul.

Dillon

MICKI & MAUDE

The main problem with *Micki & Maude* is that Dudley Moore is manifestly not a moron. If he were, one might just possibly entertain Writer Jonathan Reynolds' premise, which tries to set Moore up logically, and without loss of the audience's sympathy, as a bigamist brought farcically to his knees when both his wives (Amy Irving and Ann Reinking) go into labor simultaneously and are assigned adjacent hospital rooms. As he nearly always does, Director Blake Edwards delivers the low, knockabout goods, and Moore is funny as he tries to attend both ladies and still keep his secret from them.

But that secret is a nasty one, and all his good nature cannot wash it away. Nor can it allay the suspicion that his character, an otherwise sensible TV newsman, would never have got into the predicament. Eventually one's doubts on these points nag laughter into pained silence.

Moore

2010

Stanley Kubrick's *2001: A Space Odyssey* was a star child of the '60s. It yoked trailblazing technical wizardry to intergalactic mysticism, propelling man into space and through the time barrier to confront his own past and a new race's future. The film was about quests, not answers, and at its conclusion an air of benign befuddlement lingered over its hipper audiences like a corona of reefer smoke. Now, in the quick-solution '80s, comes *2010*, a sequel whose sole purpose is to explain the ending of its predecessor. Working from Arthur C. Clarke's novel, Writer-Director Peter Hyams lets his movie waltz in place for an hour or so before enlisting the surviving members of the original cast (Keir Dullea, HAL 9000, the monolith) to help provide the inspirational capper. *Flash:* There is intelligent life in outer space. More, anyway, than in this amiable footnote of a movie.

Dullea

MAN OF FLOWERS

In a modern world careering through pop decadence, Charles Bremer (Norman Kaye) is a gentle anachronism. A man of means and decorous tastes, he loves things of beauty—flowers, sculpture, sacred music, the nude female form—with the intensity of a St. Francis of the Arts. Alas, this is Australia, not Assisi, and outside the rococo solitude of his Melbourne house, things are just too hectic. So Charles brings home his objects of pleasure: he engages an artist's model to undress in his living room to the strains of *Lucia di Lammermoor*. Paul Cox's film is every bit as odd and endearing as Charles—an Ealing comedy gone berserk, with its hero an emotional outcast who triumphs over, rather than accommodates himself to, the 20th century. Advice to the jaded: cultivate this frail and lovely hothouse plant. ■

Milestones

ENGAGED. Elizabeth Taylor, 52, violet-eyed veteran of stage, screen and marital campaigns, including two spectacularly publicized ones with the late Richard Burton; and **Dennis Stein,** 52, entrepreneur, man-about-New York City and her steady companion since they met a month ago, reportedly on a blind date; she for the eighth time (she is once widowed and six times divorced, most recently from Virginia Senator John Warner in 1982), he for the second; in Los Angeles.

MARRIED. Sally Field, 38, perennially plucky actress (*Sybil, Norma Rae*) currently being tipped as a possible Oscar nominee for her acclaimed role as a quietly determined widow in *Places in the Heart;* and **Alan Greisman,** 37, movie producer (*Windy City*), whom she met six months ago, when he brought a project to her fledgling production company; she for the second time (she is long divorced from Steven Craig, the father of her two sons), he for the first; in Tarzana, Calif.

INDICTED. Don King, 53, spiky-haired boxing promoter who has organized some of the sport's major bouts as well as various entertainment events, including this year's Jacksons Victory Tour; on 23 federal counts of income tax evasion, filing fraudulent tax returns and conspiracy; in New York City. With his longtime secretary, Constance Harper, King allegedly skimmed $1 million from his corporation's receipts between 1978 and 1981, mainly by collecting boxing-event fees from Las Vegas' Caesars Palace by cashing in gambling markers for unreported cash payments from the hotel's casino. King, who once served four years for manslaughter in Ohio, could face up to 46 years' imprisonment and $65,000 in fines if convicted on all charges.

DIED. Hobart Freeman, 64, reclusive founder of a controversial eleven-year-old faith-healing sect, the Faith Assembly, whose 2,000 members are taught to shun medicine on the grounds that it is linked to witchcraft and that doctors are little better than magicians; of heart disease, pneumonia and gangrene; in Shoe Lake, Ind. Freeman, a former Baptist Bible scholar who told his followers that he would not die because prayer had enabled him to survive several heart attacks and an auto accident, was indicted last October in the death of a 15-year-old disciple from chronic kidney disease. The Fort Wayne (Ind.) *News-Sentinel* has reported that at least 88 Faith Assembly members have died from treatable illnesses or injuries.

DIED. Vicente Aleixandre, 86, sickly, solitary Spanish poet who won the 1977 Nobel Prize for Literature for such volumes as *La Destrucción o el Amor* (1935) and *Historia del Corazón* (1954), which dwelt on themes of love, death and eternity, often employing striking mystical or surrealistic metaphors from nature; of kidney failure; in Madrid. An invalid from his mid-20s, when he contracted recurrent kidney tuberculosis, Aleixandre became part of the Generation of 1927, a brilliant group of young poets that was sundered by the 1936-39 civil war; too ill to fight or leave, he was the only member not killed or exiled. As a republican sympathizer, he was silenced by Franco until 1944. By staying and not submitting, however, Aleixandre became a rallying point for what remained of Spanish literary life and a considerable influence on younger Spanish poets.

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Quiet, Please, Writers Talking

CONVERSATIONS WITH AMERICAN WRITERS
by Charles Ruas; Knopf; 416 pages; $17.95

Charles Ruas speaks in his introduction of personae, archetypes, universal dialogues and seminal experiences. The idea of the Great American Novel hovers feebly over the graves of Faulkner, Fitzgerald and Hemingway. Majestic imaginations recede, literary vision narrows,

PHOTOGRAPHS BY THOMAS VICTOR

Tennessee Williams: Succession of failures

culture breaks into fragments, and the public slinks off to attend the marriage of arts and leisure.

The 14 writers whose distinctive voices fill the pages of Ruas' book with shoptalk and gossip have learned to work against this unpromising backdrop. From Eudora Welty, 75, to Scott Spencer, the 39-year-old author of *Endless Love*, these eloquent veterans also know how to plug along through praise, criticism and indifference. Some careers grow slowly, like redwoods. Each Welty story added a ring to her reputation until today she is treated with the reverence accorded endangered species. Joseph Heller works hard just to keep the standing won nearly 25 years ago with *Catch-22*. William Burroughs, whose satiric fantasies once thrilled the critics, is hardly reviewed today.

Norman Mailer: Balancing the budget

It is a lonely and exacting business. Paul Theroux *(The Mosquito Coast, The Great Railway Bazaar)* is succinct: "Writing is pretty crummy on the nerves." Robert Stone *(Dog Soldiers, A Flag for Sunrise)* is windy and funny: "I'm not much crazier than anybody else, but I'm not much saner. So, I thought, I'm really feeling crazy today, I think I'll go see a shrink . . . He was everything that a psychiatrist should be: . . . Jewish . . . very together, very humane. I went to him, and I talked to him, and he said, 'What you need is religion. What you should do is to go to Uttar Pradesh in India—the ground is so holy that

Gore Vidal: Prince of the Republic

the vibes coming up from the ground will clear up your head.' "

But sometimes the riled imagination can yield convincing ghosts. Says Marguerite Young, poet and author of the dreamlike novel *Miss MacIntosh, My Darling*: "I see Emily Dickinson quite often, Virginia Woolf, and Dickens. Poe . . . oh, all the time. I see him on misty nights at Sheridan Square when the raindrops are falling." Young admits her visions are irrational, yet they are real and useful to her. Even as balanced a writer as Susan Sontag summons up persuasive phantoms, those subtle abstractions that take shape in her essays but scarcely survive outside their contexts.

By contrast, Norman Mailer, Gore Vidal and the late Truman Capote thrust their work and themselves into the world of commerce, celebrity, hostility and jealousy. "Envy, envy, envy!" cries Capote. "The people simply cannot endure success over too long a period of time. It has to be destroyed." Not since Benvenuto Cellini has there been a major talent with such a courtier's view of his art. His social timing and instinct for wounding gossip were dis-

Susan Sontag: Persuasive phantoms

played in published sections of his controversial work in progress, *Answered Prayers*. He refers to it as his "big ace up my sleeve," though since his death neither his publisher nor his friends have been able to find a finished manuscript.

Vidal and Mailer deliver. Says the sage of Brooklyn Heights: "If you're talking to three people, you will affect history as much as if you talk to 3 million or 30 million people. By the time you're talking to 30 million people, you will say things like 'We've got to balance the budget.' " Vidal is superb in his role as Prince of the Lost Republic. He is proud of his influential forebears (notably his grandfather Senator Thomas Gore) and justly pleased that since the age of 20, the lifelong bachelor has supported himself solely by writing: "I did not marry money, as some of my wise confreres have done."

Ruas, Princeton and Sorbonne educated and until 1979 the arts director of New York City radio station WBAI, has selected and edited wisely. He thumps for no school of thought or critical trend. Indeed, literary culture as a major moral or aesthetic influence has slipped to the sidelines. What remains is not agreed-upon styles but individual voices: Toni Morrison *(Song of Solomon)* trying to evoke black history with the techniques of magic realism; E.L. Doctorow intoning the nation's hidden past with lyric inventive-

Truman Capote: Envy, envy, envy

ness; Spencer's ironic dramas of youth; the late Tennessee Williams, America's best modern playwright, signing off with the pathetic statement, "People associate my name with successes. I've had a succession of failures."

So have all the other writers in this book. The number of false starts and full wastepaper baskets alluded to is impressive. What these authors share is failures that eventually lead to triumphs. Sontag speaks for all when she quotes Nietzsche: "Whatever doesn't kill you makes you stronger." —*By R.Z. Sheppard*

Between Books

LIVES OF THE POETS
by E.L. Doctorow
Random House; 145 pages; $14.95

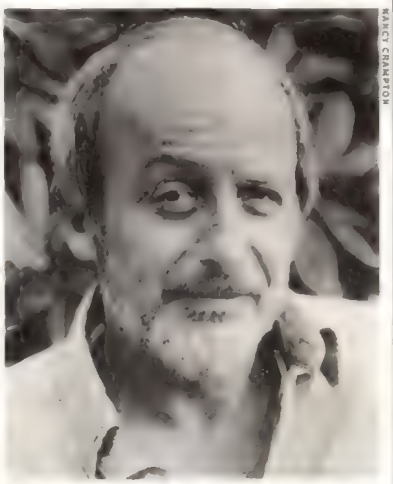
Anyone shrewd enough to make a living in the man-of-letters dodge knows that an occasional desk-clearing miscellany, a dustpan with hard covers, will be indulged between actual, seat-of-the-pants books. To E. (for Edgar) L. (for Lawrence) Doctorow's credit, he includes no commencement speeches, letters to the *Times*, book reviews or similar lint balls in this between-books collection. Instead, the author of *Ragtime* and *Loon Lake* offers six short stories, impeccably done, rather academic, mostly forgettable, and one 65-page mishmash called, for want of an accurate tag, a novella. The mishmash, surprisingly enough, is a delight, largely because it knits up all that has gone before.

The odd arrangement of the book suggests that Doctorow is not altogether happy with the stories. The first, an agreeable family anecdote about a secret kept from an old lady in a nursing home, could be told as a one-paragraph joke. But the third is a small marvel, a conventional short story that works, and the only one of the six whose vibrations resonate after the last page is turned. A boy sees his mother making love with his tutor. The child cannot prevent himself from telling the dreadful secret to his father. The narrator, who was the boy, relates his turmoil in a way that seems resigned and detached, and then adds two sentences that haunt the mind with the littleness of private tragedy: "This was in Galicia in the year 1910. All of it was to be destroyed anyway, even without me."

Of the other stories in the collection, two are standard imponderables, vaguely suggesting those irritating fictional non sequiturs of Donald Barthelme that prove without effort that the world is a strange place. The last short piece is called *The Leather Man*, after a strange tramp who wandered southern New England in the 19th century, insulated from the world by an outer leather armor he had devised. It is an awkward tale that works only intellectually, as an argument the author is having with himself. Is it possible that a life can be understood only when one has deliberately estranged oneself from it, turned

oneself into an outsider, a leather man?

Who knows? But now, in the title novella, we see where the question leads. The narrator, a blocked writer, has moved from his wife and his comfortable home in Connecticut to a Greenwich Village pad. He can't write in the burbs, can't stand the entanglement. Can he write in the Village? Well, he's trying, but his roiling thoughts won't order themselves tamely and obediently into fiction. There he sits at his desk, staring idly out of the window, listening to his middle-aged frame creak, finding a suspicious bump on his scrotum, brooding about traditional marriage: "battling, shrieking and occupying each other's brains like some terrible tumor until one of them dies." A theme here? Apparently not; he goes on to muse about middle age ("On the whole we are all quite game. It's life itself that seems to be wanting"), about his comical doorman, about whether to crank up



NANCY CRAMPTON

E.L. Doctorow: surviving cockroaches

an old affair with a woman who has sent him a postcard, about the arresting fact that the Manhattan Yellow Pages are available in Spanish. No, he decides, he can no longer write; the whole thing is hopeless. The novella peters out as messily as could be wished, without even a period to nail down its last sentence: ". . . maybe we'll go to the bottom of the page get my daily quota done come on, kid, you can do three more lousy lines"

But the reality, of course, is that Doctorow is writing, telling prickly truths, getting a life down on the page. The result is totally shapeless, but it is also funny and full of juice. It is interesting to note that John Updike, in his Bech chronicles, Philip Roth, in his Zuckerman books, and now Doctorow have written some of their best recent work about the impossibility of writing. Writers, it seems certain, will outsurvive cockroaches, no matter what toxins they spray on themselves. —*By John Skow*

Obsession

THOMAS MORE
by Richard Marius
Knopf; 562 pages; $22.95

There is a drawing of Thomas More dating from 1527, just eight years before Henry VIII had him beheaded for refusing to recognize the King's right to divorce Catherine of Aragon and marry Anne Boleyn. Hans Holbein's sketch shows a prosperous Londoner in a fur-trimmed robe, surrounded by his family and his possessions—silver dishes in the cupboard, and a shelf or two of those rare luxuries, books. Mounted on the wall, dangling above More's head like a sword, hangs a clock.

Holbein could not have chanced upon a more fitting symbol, if a reader follows the gracefully conceived, somewhat revisionist argument of Richard Marius, one of the editors of *The Yale Edition of the Complete Works of St. Thomas More* and now an English professor at Harvard. It is Marius' persuasive thesis that, far from being the serene humanist made popular by Robert Bolt in his play *A Man for All Seasons*, More was a soul tormented by the little death knells of ticktocking time, and haunted even more by the silences of eternity.

A workaholic who signed his letters "In greatest haste," More ran hard to get ahead in the fluid society of Tudor England. After studying law, he positioned himself at court as personal secretary to Henry, as much through flattering verse and charm at the dinner table as by administrative competence. As he moved up in office—royal councillor, Undertreasurer of the Exchequer, speaker for the House of Commons and finally Lord Chancellor—he seemed docile and circumspect.

In private life as in public life, Marius suspects, More was a bit of an actor. Having succeeded at the main chance, he worked equally hard at humility. He played the family man to the hilt. His daughter Margaret was the love of his life. But he constantly harangued his first wife Jane, who bore him four children in seven years. His second wife Alice, whom he married within a month after Jane died at 23, was a testy widow he may have selected precisely because she did not attract him. Sex, Marius suggests, was the "ruling drama of his life," the profound guilt that fired More's medieval obsession with death and damnation just when the humanism of the Renaissance was lifting the darkness for his contemporaries.

More's writing expressed the agonized self-contradiction of an up-to-date careerist pursued by ancient demons. Marius rates him as "the greatest English storyteller between Chaucer and Shakespeare." The wit and irony that would soon mark the best Elizabethan playwrights already distinguished More. Like his friend Erasmus, More revered classical Greece. His masterpiece, *Utopia* (1516), a fantasy of the ideal commonwealth, imagined human beings so perfectly ruled by logic that they were happy to own no property and to labor modestly and endlessly for the common good.

But More was not always a man of reason. As he wrote on, he devoted himself, in Marius' phrase, to building "a wall of pages" to defend his faith in works like *A Dialogue Concerning Heresies*. He loathed the emerging Luther so profoundly that his theological arguments collapsed into scatological abuse. When his treatises failed to halt the Reformation, More took to burning the treatises of his enemies, and when book burning failed, he turned to body burning, exulting in the fires at the stake that carried Protestant heretics to hell "where the wretches burn forever."

Yet More was never really interested in upholding the power of the Pope as opposed to the power of the King. As Marius dramatizes it, the confrontation that led to Sir

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Thomas More: God's workaholic

Thomas' martyrdom was an irony More himself might have appreciated. Henry VIII, in Marius' view a frightened, defensive monarch, already tired of the mistress he was determined to marry, faced in his Lord Chancellor a holy man *manqué*, with whip and hair shirt, whose secret passion had always been to become a monk.

Eighteen judges, including Anne Boleyn's father, found More guilty of four counts of treason. The defendant died handsomely. To the soldier who helped him mount the scaffold he is reported to have said, "I pray you, Master Lieutenant, see me safe up, and for my coming down, let me shift for myself."

The scaffold, Marius proposes, was the final stage for a player who may have acted to the end. Without presuming to answer, the author raises a question: Did More die for what he believed or for what he wanted to believe? If indeed the last enemy for More was not fear but doubt, that makes him no less a hero, and even more of a modern saint. —*By Melvin Maddocks*

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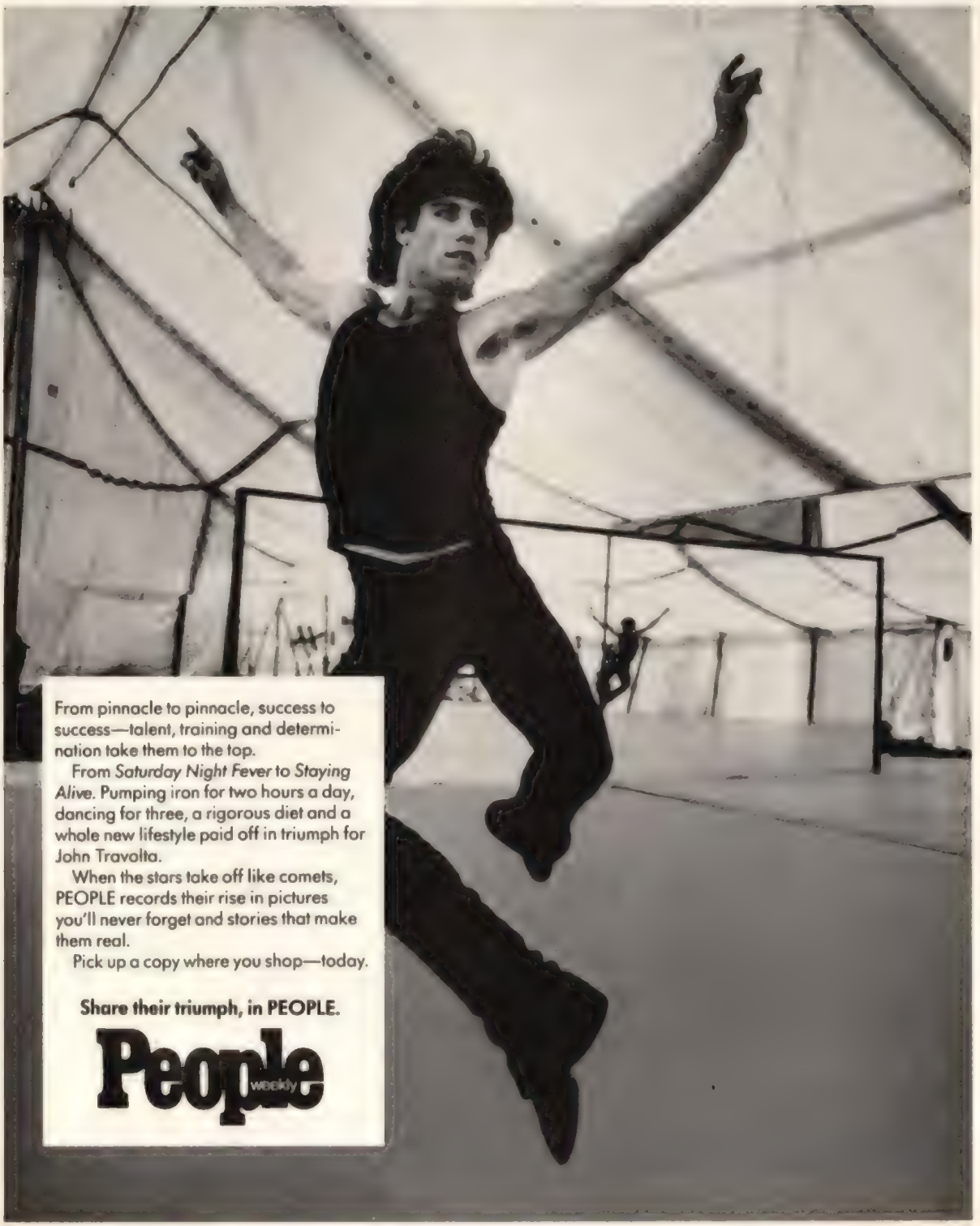

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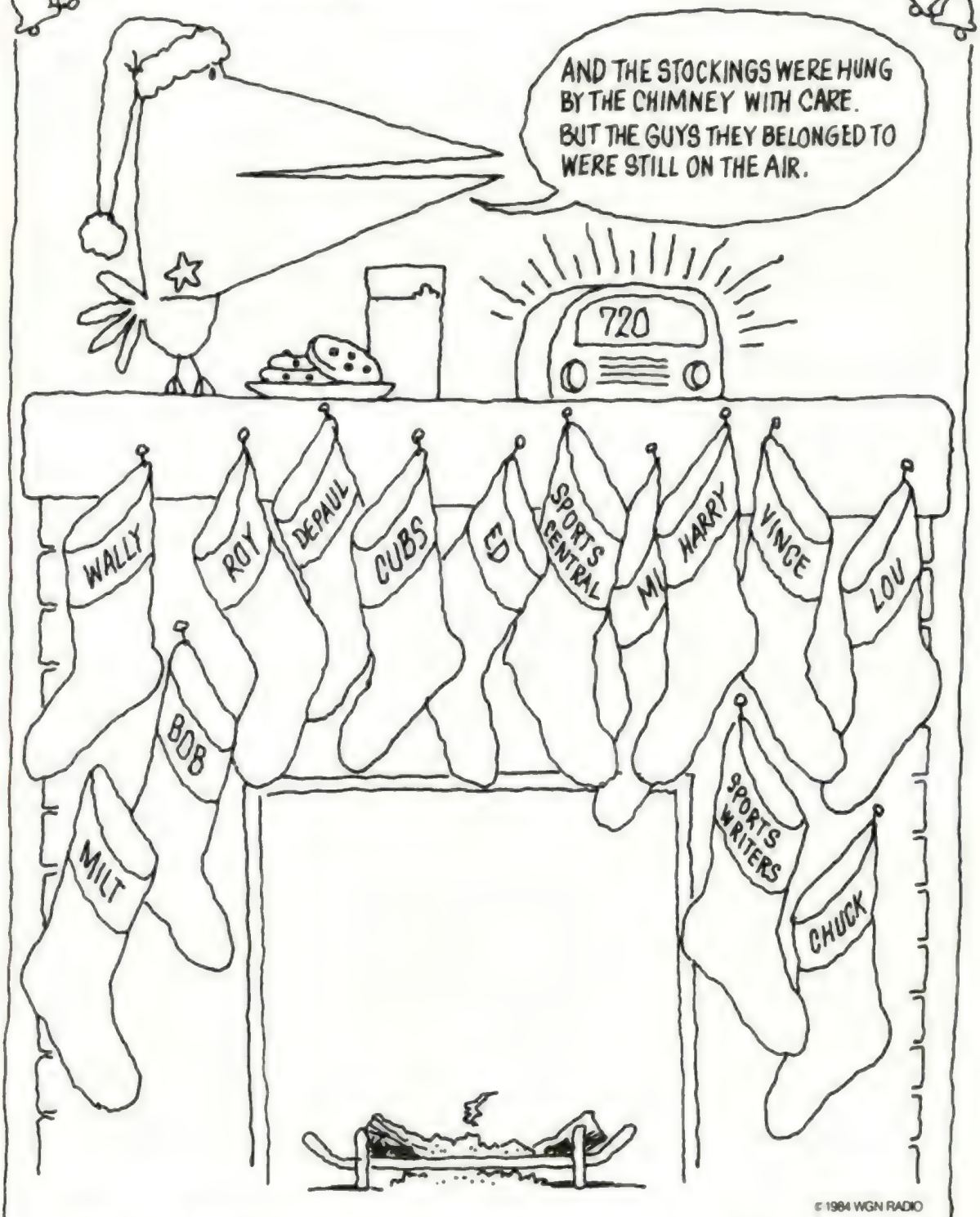

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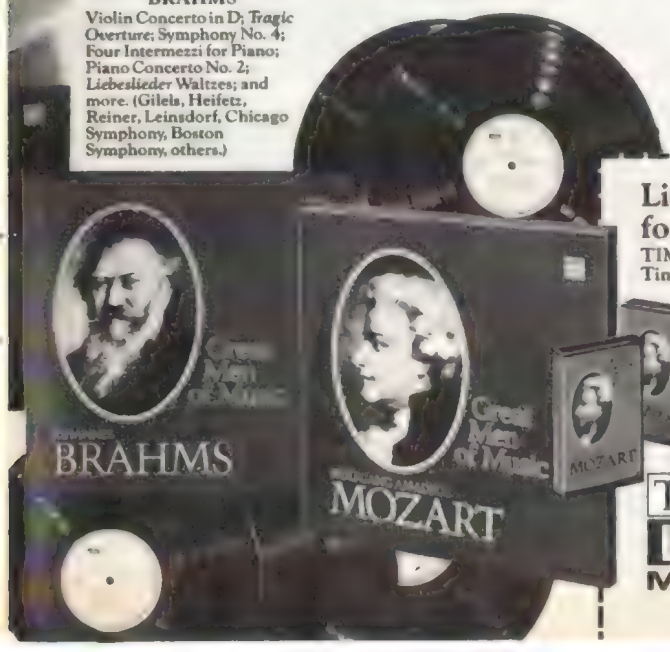

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TIME LIFE MUSIC

Show Business

A Grand Elegy to the Raj

THE JEWEL IN THE CROWN, *PBS, Sundays through March 17*

The first things swept aside are the conventions of TV drama. There is no 21-gun pageantry here, no coffee-table scenery. Most of the characters, and there are more than 100, keep their secrets to themselves. When, after 14 episodes, all the subplots converge, none of them ends up resolved. Nonetheless, *The Jewel in the Crown*, which comes to the U.S. after conquering viewers and reviewers throughout Britain, delivers a sovereign account of the decline and fall of the British Empire. Slowly, painstakingly tracking its protagonists through a labyrinth of troubles, the show builds up a panoramic portrait of British India that is as levelheaded as it is evenhanded. More of an intricate tapestry than a flying carpet, *Jewel* dwells on the British raj in its dotage and behind its gilded scenes, at home though hardly at ease. In the process, it poignantly suggests that even the grandest of empires was made up of very small people and that no subject is more exotic than a divided heart.

Porter: loner in a straitjacket

In its singular complexity, *Jewel* is diligently faithful to its source, the late Paul Scott's magisterial four-volume novel known as the *Raj Quartet*. Like E.M. Forster's *A Passage to India*, Scott's story circles around charges of rape and the trials, both personal and legal, that ensue. Like Forster, Scott asks how Britain, in some ways the smallest of small worlds, managed to govern India, one of the hugest and most heterogeneous of countries. But Scott's book is set about two decades later than Forster's, in the final five years of British rule. By the time *Jewel* opens in 1942, the sun has not set on the Empire, but the clouds have begun to gather. Scott's protagonists are caught between two worlds, one dying, the other struggling to be born. In the brooding moments before the storm, the British must endure the ache of quitting a place that had come to seem like home, while the Indians restlessly await the bloody convulsions that attend the birth of a nation.

The series' domain is the subcontinental divide that separates those worlds. The action begins with an awkward mating dance between a shy English expatriate, Daphne Manners (Susan Wooldridge), and a tall, dark, handsome Indian, Hari Kumar (Art Malik). Straightforward enough, so it seems. But "in India," as one character points out, "nothing is self-evident." The exceedingly British Manners lives with an Indian lady she calls Auntie, and longs to make herself at home in India; the Indian-seeming Kumar has just emerged from a previous incarnation at an exclusive English boarding school, and finds himself an alien in the land of his fathers. While the lovers are drawing close enough to realize the distance between them, they are constantly shadowed by a working-class British officer, Ronald Merrick (Tim Pigott-Smith). Perversely relishing his lack of old school ties, Merrick remains a perennial odd man out in British India, resented by well-bred Britons, resentful of well-heeled Indians.

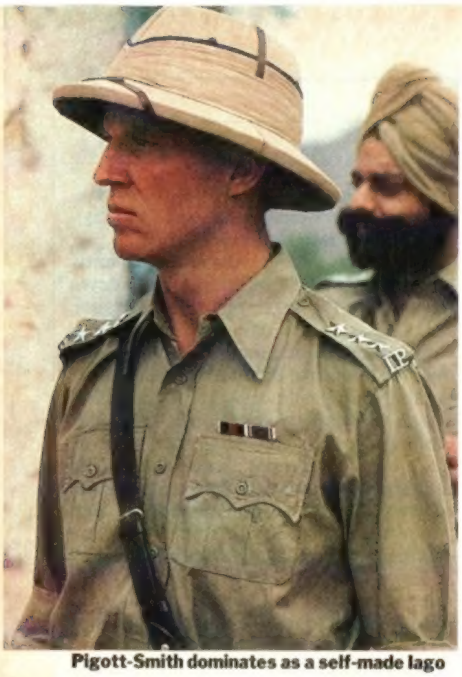
When Daphne is raped in mysterious circumstances, the brutal Merrick seizes on the opportunity to arrest and torture Kumar. While Kumar languishes in jail, the story follows Merrick to another posting, and to a potential odd coupling between another Englishwoman, Sarah Layton (Geraldine James), and an Indian, Ahmed Kasim (Derrick Branche). Around them all and around every corner hovers Count Bronowsky (Eric Porter). In a world where British cliques and clans are mixed with Hindu castes and classes, Bronowsky—a Russian émigré, an aristocrat and a confirmed bachelor—does not fit on any score. But neither does Merrick or the Muslim Kasim. Indeed, *Jewel* presents a teeming society of outcasts—spinsters, exiles, maiden aunts and homosexuals for whom the Empire was a kind of straitjacket. As the end of an era approaches and the series wends its way through breakdowns both civil and nervous, one character after another implodes, goes mad, turns mute or sets her life aflame.

Connoisseurs of tales of the raj will recognize in *Jewel* most of the pukka props that have become the stuff of imperial legend: rusty colonels and their horsy daughters, schoolmarmy missionaries and pip-pipping young officers. Awful duffers are forever bashing off for a gin-and-tonic at the club, while social gaffers natter on about their rotten luck. India seems, on the surface at least, to be the ultimate British public school, an extended expatriate cocktail party.

But it is the humble genius of *Jewel* to look beyond this surface and settle on silences, interstices, uneasy moments between engagements. Forswearing the familiar group portrait of the raj in formal poses, it presents snapshots of disoriented individuals, alone and often at loose ends. The show's occasional violence is all the

Wooldridge and Malik enact an awkward mating ritual

The pukka props of Empire, above; dance with the con-



Pigott-Smith dominates as a self-made Iago

soling James, below left, and Pigott-Smith in action

more harrowing because so much of the action consists of nothing more than long dialogues in frumpy British parlors. Indeed, the series captures wonderfully an India so housebroken that it has come to resemble a dowdy British institution. Instead of the fairy-tale land of kohl-eyed houris and snake charmers, the subcontinent here seems to be a domesticated place of hospital corridors, puddly lanes and gently twittering birds.

All the while, however, the pressure of political events is relentlessly building. One of the production's inspired touches is to punctuate the private doings and undoings of the characters with snatches of contemporaneous news footage. These black-and-white bulletins from the front trumpet the glory of the Empire in all its turbaned pomp, while providing hearty reports on wartime developments in the Asian theater. But the newsreels also serve a subtler purpose. Through their gung-ho descriptions of Gunga Din's descendants they present, unvarnished, Britain's official stance toward its colonies, a paternalism compounded of arrogance and affection.

A sterling cast handles nearly all of *Jewel's* haunted souls with understated urgency. As the gawky Daphne, Wooldridge is a particular marvel. Eyes wide and full of a startled innocence, she galumphs through life with such sweet diffidence that plainness itself seems radiant. An equally luminous pathos surrounds Dame Peggy Ashcroft's Barbie Batchelor, a sad little figure of baffled devotion who has little to do save muddle through her final days "very tired and old and far from home."

Ashcroft: a luminous pathos

As the third of Scott's mild and curious heroines, a sort of professional consoler to be found at the bedsides of the series' variously suffering characters, Geraldine James is unremittingly sensible. So too is Charles Dance as Guy Perron, the thoughtful, soft-spoken officer with whom she feels rapport. But the most dominant of all the performances is that of Pigott-Smith as Merrick. Holding together the entire series with the black magic of a self-made Iago, he is a picture of twisted pride and prejudice, his face permanently pinched, his upper lip invariably quivering toward a sneer.

The initiators of the series, Britain's Granada Television, approached the adaptation of *Jewel* with a method that seemed like madness. Half of the episodes were directed by Television Veteran Christopher Morahan, 55 *(Uncle Vanya, Old Times)*, the other half by Jim O'Brien, 37, who has directed a number of documentaries and theatrical productions. In addition, the film makers decided to brave four months' shooting on location in India, an adventure that involved wrangling 300 containers of equipment past vigilant customs officers, recruiting local beggars to act as extras and running up a tab of $7 million.

The adapters' most daunting task, however, was unraveling the elaborately contrapuntal structure of Scott's novels. Scott, whose work won much of its success after his death from cancer in 1978 at age 57, was a former British army officer with three years' experience in India. Less a fluent stylist than a ferociously honest and fair-minded observer, he was determined to do justice to both sides of the equation in British India. In order to portray the Empire in the round, he told his almost 2,000-page story through a complex symphony of flashbacks, fast-forward prolepses and as many as 13 perspectives on a single incident.

But what was all encompassing on the page would have been all confusing on the screen. To the rescue came two other former soldiers from the raj, Scriptwriter Ken Taylor and Sir Denis Forman, the chairman of Granada and the project's prime mover. Their no-nonsense solution was to chop up yard-length segments of wallpaper, pin them on the walls of a large room and sort out a chronological story line by writing an outline of events on each square. In the process, they preserved nearly all the equivocal situations and ragged-edged characters that are often more eloquent than Scott's words.

Not surprisingly, the series has inherited some of the book's shortcomings. As leisurely and sinuous in its flow as the Ganges, sometimes crashing through rapids, more often meandering into tributaries, *Jewel* does on occasion get bogged down in its own complexities. In the middle episodes, when the action closes in on Layton and four other memsahibs, the show could be mistaken for a provincial soap opera, and a brackish one at that. Sometimes too it parades a kind of sincerity that teeters on melodrama. Symbols are spelled out, symmetries underlined, characters displayed with embarrassing nakedness. Merrick never tires of proclaiming his lower-class origins, and Kumar commits such lines as "I hate . . . most of all myself, for being black and being English." Nevertheless, the rippling succession of slow, soft moments gathers such cumulative resonance that the series' conclusion is both shattering and ineffably moving.

In Britain earlier this year, *Jewel* became a fashionable rage and a national addiction. Each week it held 8 million viewers hostage; it sparked a revisionist debate in the press about imperial guilt and glory; and, in the end, it was almost unanimously acclaimed. *Jewel's* subject may seem more distant to American viewers. But they would be well advised to set aside their Sunday evenings for the next three months to follow this uncommonly rewarding series. There could be no truer memorial to Scott's quiet masterpiece and no grander elegy to the ambiguous power of the Empire. —*By Pico Iyer*

Just One More Season

If the legs go first, how soon will pride follow?

The style of athletic leave-taking seems to have diminished since Ted Williams homered in his final at-bat, when the Boston fans failed to draw him back out of the dugout for the purest reason, put perfectly by John Updike, that "gods do not answer letters." In mortal and modern contrast, Guy Lafleur, a Montreal Canadien once of the highest rank, lingered several aimless shifts before exiting last month as sheepishly as former Pittsburgh Running Back Franco Harris, who was bluffing along a few extra downs in Seattle. Babe Ruth limped away in midstream too, so departures of this sort are hardly new. Still, there is an impression that boxing has been spreading around its patents in the allied areas of recovered faith and mistimed goodbyes. Perhaps it is the money.

Money made as regal a figure as Jack Nicklaus fling a putter a few weeks back in his alltime display of rapture over an eight-footer, not to win the grand slam, not even to clinch a 20th major championship, but to publicize a condominium development in Arizona at a made-for-TV golf tournament. Ben Hogan would never have wet his pants over such a glory, but there are levels of ego in this. When Bjorn Borg slipped merely to second, ahead of everyone but John McEnroe, Borg had to go. Eleven years removed from his No. 1 rating, Ilie Nastase pursues the tournament allures as profanely as ever, but now he adjourns to the disco after the second round. People begin to forget that he ever was a great tennis player. As pride stalled and greed rallied, Borg reappeared momentarily, still young and naive about how fast and far a delicate skill can plummet, only to find that he had lost it.

"When you talk about a professional athlete losing it," Bob Cousy says, "it comes down to what he can settle for. In the individual sports, you lose it more quickly, or show it more. In a team concept, it's not that you can fake it exactly, but you can hide the subtle decline better. I did." This is more than surprising because, when Cousy retired against the Boston Celtics' wishes in 1963, the common feeling was that he was still on top of his game, one of those considerate treasures who chose the time grandly. "I chose it pragmatically," he says, laughing lightly. "I knew I'd be exploiting this notoriety for 20 years. Keep in mind that my salary was $30,000 in 1963." In other words, exchanging some of his legend for its full cash value up front might have made economic sense. "If it had been $300,000, chances are I would have played until 1969." But bleeding the fund by such small increments would have been shortsighted.

He has not picked 1969 randomly. That was the year Bill Russell retired. Cousy was 40 then. "I could have played that long without hurting myself or anyone else too badly. If the aging superstar continues to carry the load, the aging process accelerates." However, Russell bore most of the heavy equipment, and when Cousy became unable to hold up all of his traditional parts, he changed roles without anyone noticing. Here was the magician's finest sleight of hand.

HY PESKIN

Cousy in 1955, at the top of his game


STEVE LIPOFSKY

Practicing today, he shoots better than ever

Coaches and customers frequently hail the pro who "wants the ball" down the stretch, the taker of the buzzer shot, Mr. Clutch. For eight or nine seasons, Cousy thought of himself that way. But over the final two or three, he tumbled to an almost opposite criterion for a professional. "I was very conscious of my skills eroding. Franco Harris can say what he likes, but the moment a back can't get to that hole, he realizes it. The minute there is even a subtle diminishment of legs, you're the first to know. I became aware of when I should stop wanting the ball in key situations. For a couple of years, I decoyed myself at those moments, making sure Sam Jones, Tommy Heinsohn or whoever ended up with the shot."

The odd thing is, Cousy says, "I shoot better now than I did 30 years ago," which he has occasion to know, for last week he started shooting again. "Of course, if I have to run five feet to get my own rebound, my touch deteriorates accordingly." At 7 o'clock in the morning, he lets himself into the Assumption College gymnasium about a quarter mile from his home in Worcester, Mass. Why Cousy has returned to the court at 56 he finds embarrassing to say, confessing to having made "a conscious decision never to play in oldtimers' games," a principle he has violated only in small measure.

At the Maurice Stokes game, an irresistible charity, he was exposing himself only to a few thousand "screaming precocious kids." While coaching the Cincinnati Royals in 1969, Cousy actually came back for a few N.B.A. minutes, merely as the pragmatist cooperating with the merchandisers "trying to jazz up business with old No. 14 on the bench." Sitting beside him, actually inside him, was the sentimentalist. "I never wanted to expose the old bod' before that 35-and-over group, to spoil the illusion, destroy the myth, look like what you are, a tired old man."

But a call has gone out too ironic not to answer. A gala N.B.A. all-star oldtimers' game, which he found easy to ignore when the proceeds benefited the Players Association, has shifted its cause to the codgers themselves. "Sort of an old actors' fund," he says, "for prepension guys in dire need." The game is not until Feb. 9, in Indianapolis, and maybe some will start shooting around a week or two before, but not Cousy. Meanwhile, saying "I feel I still have another good year to give," Kareem Abdul-Jabbar, 37, has changed his mind about quitting after this season, and for $2 million has agreed to play a 17th year. And Franco Harris, 34, will take on Jim Brown, 48, in the 40-yd. dash at an Atlantic City casino during Super Bowl week. Gods may not answer letters, but their agents do. —*By Tom Callahan*

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